

Top quality ventilation  
**Vent-Axia**  
the fug fighter

# FINANCIAL TIMES

No. 26,917

Thursday March 11 1976

\*10p



## NEWS SUMMARY

### GENERAL

## Fear of army coup in Lebanon

Lebanon appeared last night to be on the brink of a military take-over after two separate groups of officers had served notice on the Government to set to end the army rebellion which has spread throughout the country.

There was also a threat of Syrian military intervention in the absence of a prompt national compromise. Page 3

## Rail trouble may spread

There were fears last night that industrial action by train drivers in protest at cutbacks in British Rail's services which is causing widespread disruption in Eastern England, may spread to other areas and be made official tomorrow.

## Former UDA chief shot dead

Mr. Sammy Smyth, former chairman of the Protestant paramilitary Ulster Defence Association, was shot dead at his home in Belfast last night. Last weekend he suggested that the UDA should have peace talks with the IRA in the wake of the collapse of the Northern Ireland Convention. In an attempt to defuse tensions, he had been visiting several officers at a Drumhugh Inn, Tyrone, last night. Page 8

## Reagan challenge 'all but over'

President Ford for the Republicans and Mr. Jimmy Carter, Governor of Georgia, for the Democrats, were the clear winners in the Florida primary which dealt a serious blow to Governor George Wallace, Democrat. Senator Henry Jackson, strengthened his chances of winning the New York primary next month. Mr. Ford's staff believe that Mr. Ronald Reagan's challenge is all but over. Back Page. Feature, Page 4

## Another big DC-10 pay-out

Lawyers representing McDonnell Douglas and its London insurers have agreed to a very large, but unspecified, out-of-court settlement to the estate of a U.S. businessman who died in the Paris DC-10 crash. The settlement is understood, on a single death basis, to be larger than the individual award of \$750,000 to each of the two Korean children to each of the two Korean children in London. Page 4

## Frigate damaged in cod clash

The frigate Diomedes, 2,450-ton, was damaged in a collision with the Icelandic gunboat Baldur yesterday as the gunboat attempted to cross Diomedes' bows in an effort to close on the Grimsby trawler, Carlisle. A Fleetwood trawlerman was reported missing, believed drowned after being swept overboard in a gale, Norwegian plan, Page 31

## Starting young

More than half the people arrested for indictable crime in the Metropolitan Police District last year were under 21—51 per cent. of 103,252 arrests. Almost one-third were aged 10-16. Page 7. Feature, Page 18

## Briefly...

Cable car disaster in which 42 people died on Tuesday was caused by a break in the overhead cable, engineers reported.

### BUSINESS

## Equities 2.7 better but gilts ease

● **EQUITIES** improved although trading was quiet. The FT 30-Share Index, down 2.5 at 11 a.m., closed 2.7 better on the day at 414.1. The properties sector remained easier and rather sensitive.

● **GILTS** succumbed late to the fresh slide in sterling. Shorts closed with falls of 1/2 medium and long eases.

● **DOLLAR** improved against most European currencies. Its weighted depreciation narrowed to 2.20 (2.38) per cent.

● **GOLD** gained \$1 to \$134.

● **WALL STREET** closed at 995.28, for a rise of 1.55. It had peaked 1,000 earlier but again met profit-taking.

● **METAL PRICES** rose again in London as sterling fell. Zinc led, with the biggest percentage

increase, its cash price moving up £11.25 to £374.5 a tonne. Page 31

## West to give more to Third World

● **AID** to the Third World from the West is expected to rise by 45 per cent. this year to over \$14bn, according to OECD estimates. Page 6

● **JAPAN** has warned the U.S. that it may retaliate if America introduces restrictions on the import of special steels. Page 4

## U.K. CHEMICAL industry's prospects for the next ten years are good, if Government and the industry take the necessary measures, says a report from the industry's Noddy. Page 7

● **EQUAL PAY** for women could become very expensive. An EEC judge in Luxembourg holds the opinion that the equal pay principle has been directly applicable since January 1982, and women are entitled to back pay. Page 6

● **IMPORTS** of men's woollen suits from Eastern Europe are to be cut by 8 per cent. Page 8

● **BONSOR ENGINEERING** has been given formal Stock Exchange approval for its two-tier Board structure, and becomes probably the first U.K. public company to use this system. Bonsor's chief executive is Mr. Carl Duerr, the management consultant and author. Page 8

● **BENSONS HOSIERY** has made an offer for Bear Brand, which the company's receiver has accepted. Page 22

● **INFLATION ACCOUNTING** steering group has reopened the whole Sandilands debate by calling for views on the report's proposals from representative bodies and special interest groups. Back Page

● **SIR JACK CALLARD**, former chairman of ICI, is to head British Home Stores when Sir Mark Turner returns in June. Page 16, Men and Matters Page 18

## As Bank sees prospects of export-led recovery...

# Pound loses 3 cents despite support

BY MICHAEL BLANDEN and WILLIAM KEEGAN

A RENEWED run on the pound yesterday brought the devaluation of sterling within the past seven days to nearly 6 per cent. against the dollar and over 5 per cent. against the average of most leading currencies.

At 31.9371, the pound last night closed nearly 3 cents lower on the day against the dollar and its effective devaluation against leading currencies from December, 1971 levels, widened to 33.5 per cent. compared with 33.2 per cent. on Tuesday and 30.1 per cent. last Wednesday night.

Selling of sterling was general yesterday, with the New York banks particularly active in the afternoon. It undoubtedly took the U.K. authorities by surprise, the earlier assumption having been that the decline in the dollar/sterling rate to \$1.95 was enough for the time being.

As it was, Treasury and the Bank of England—in more accord on market tactics than at the close of last week—are estimated to have spent some \$750m. (\$1,380m.) supporting the rate yesterday, amid heavy selling which at one point took the pound down to the all-time low of \$1.9145.

The pound also received official support in New York where it was quoted in the afternoon at about \$1.9250, partly as a result of \$4m-\$5m purchases by oil companies to meet scheduled payments.

A decline in sterling's external value to adjust for the U.K.'s

THE FALLING POUND					
	Y'days close	End Feb.	% change	Year ago	% change
Belg. Fr.	75.55	79.40	-4.8	83.00	-9.0
Canadian \$	1.8912	1.9945	-5.7	2.4045	-21.8
Dutch Gldr.	5.1400	5.4275	-5.3	5.7400	-10.5
French Fr.	8.6775	9.0875	-4.5	10.1775	-14.7
German Mk.	4.9175	5.2075	-5.4	5.5950	-12.1
Ital. Lire	1.5334	1.5564	-1.5	1.529	+0.3
Japanese Yen	576 1/2	612 1/2	-5.9	609	-16.3
Spanish Pst.	127.85	134.95	-5.3	134.50	-4.9
Swiss Fr.	4.93	5.2075	-5.3	5.5950	-17.2
U.S. \$	1.9127 1/2	2.0255	-5.4	2.4055	-20.5

relatively fast internal inflation rate is in accordance with official Government policy, although in respect of the actual timing of such movements, it is a case of the authorities allowing the market to lead the way.

More uncertain is the extent to which it is desired that the U.K. exchange rate should fall further than indicated by the requirements of constant competitiveness in order to give exports an extra boost in a situation where Ministers and Government officials are agreed that the balance of payments and inflation constraints leave little scope for deliberate boosts to domestic demand.

The devaluation of sterling which has occurred in the past seven days happens to be well

in tune with what the National Institute of Economic and Social Research—an independent and highly respected body of economists—yesterday recommended was required for the whole year.

The NIESR, however, takes a gloomy view of the economic recovery prospects, even in the light of a continuing depreciation of sterling, whereas the Bank of England, in its March quarterly bulletin, published this morning, is at least more optimistic on the export front, and therefore in its assessment of the growth rate of the economy later this year.

The Bank believes that, as inflation comes down in the western world, so will the abnormally high savings ratio, thereby giving a boost to con-

sumer spending which may not be fully allowed for in a number of forecasts.

This, plus the contribution of the competitiveness of the pound to U.K. export orders, contributes to a Bank view that U.K. exports could be rising at an annual rate of 10 per cent. by the end of this year—much faster than the NIESR, on past experience, is prepared to bargain for.

This, in turn, leads the Bank to inject a much more optimistic forecast of the growth rate of gross domestic product by the end of this year, which it puts at the productive potential growth rate of 3 per cent. per annum.

The assumption that the economy is heading for this sort of growth rate anyway, merely adds force to the Bank's firm advice against a deflationary budget.

Any stimulus to demand now will have a large effect on output and employment only from the end of the year onwards; and by then the economy may, in any case, be expanding at a more nearly satisfactory rate.

A relaxation of the Price Code to encourage investment and continued strict policy to control wage rises are the main suggestions which the Bank of England makes for the economy to gain

Continued on Back Page

Editorial comment, Page 15  
Economic Viewpoint, Page 19  
Bank Bulletin, Page 16

# Brae field could be U.K.'s third largest in North Sea

BY RAY DAFTER, ENERGY CORRESPONDENT

TESTS on the Pan Ocean group's Brae Field show that the discovery may well be the third largest in the U.K. sector of the North Sea, with recoverable oil reserves of more than 1bn. barrels.

The field, in which British National Oil Corporation has a 20 per cent. stake, through National Coal Board's holding, also has a high gas content. Some industry estimates put gas reserves at between two and three trillion cubic feet which would make Brae a sizeable gas field in its own right.

The latest tests from the first appraisal well on block 167 indicate that Brae is predominantly an oil field, however. The American Pan Ocean group said yesterday that the well encountered a continuous production zone of about 1,000 feet from which four tests were taken. The company would not give its estimates of reserves, however.

Additional drilling is to be carried out, probably starting later this year. These tests could indicate that estimates of 1bn. barrels of recoverable reserves might be conservative.

Groups with interests in the concession are: Pan Ocean (32 per cent.); Bow Valley Explora-

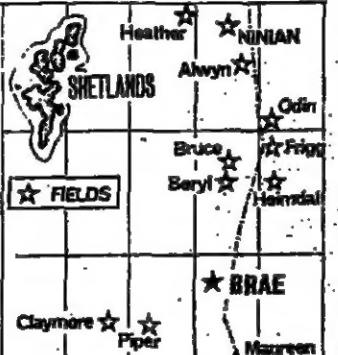
## £83m. pay-out

THE Government is to buy Burmah Oil's 21 per cent. stake in the Ninian Field for at least £83m. for immediate transfer to the British National Oil Corporation. The corporation will also have a majority holding in a new joint company which will take control of the 250 Burmah Oil Development staff and the company's interests in the Thistle, Amethyst and Broken Bank oil and gas fields. Back Page

tion (25 per cent.); NCB Exploration (20 per cent.); Sunningdale Oils (8 per cent.); Siebens Oil and Gas (8 per cent.); and Saga Petroleum (4 per cent.).

The presence of these smaller companies in such a potentially big discovery—third after Brent and Forties, excluding the even bigger Anglo-Norwegian Statfjord Field—could present problems once Brae is declared commercial and development work is tackled. Some would probably have to look for outside financing assistance.

It is thought that develop-



ment of the field could prove to be expensive, as the structure appears to be long and thin. One leading oil analyst suggests that more than one production platform will be required.

In addition, at least one pipeline will have to be laid to allow the gas to be pumped ashore. With the Brae Field lying almost on the U.K./Norwegian boundary and some 150 miles from the St. Fergus gas terminal in Scotland, this will be an expensive development operation.

British Gas is said to have shown early interest in acquiring gas from the Brae Field, how-

ever, and it is possible that a pipeline might serve to transport other possible gas finds in the area—reserves which, if developed in isolation, might not be commercial.

Four intervals were tested and they yielded on a one-inch choke: 1,898, 2,123, 4,354 and 5,563 barrels a day respectively. The gas oil ratio was much lower than that found in the discovery well early last year.

The latest well, drilled by the semi-submersible rig Odin Drill, was sunk in 340 feet of water, some four miles southwest of the discovery well. Pan Ocean said that Jurassic sandstones were encountered at 11,806 feet and was still present at the total drilling depth of 13,556 feet.

# Liberals assess support for early vote on leadership

BY PHILIP RAWSTORNE

MR. RICHARD WAINWRIGHT, Liberal MP for Colne Valley and former party chairman, yesterday began an assessment of the strength of support among Liberal MPs for an early leadership election.

His move followed a late night meeting on Tuesday at which he is understood to have reminded Mr. Jeremy Thorpe of his undertakings to accept the majority verdict of the party's MPs on his tenure of the leadership.

Mr. Wainwright is also expected to consult other senior Liberals about the practical arrangements for an election within the next three months.

Mr. Thorpe still stands firmly on his offer to contest an election after the Liberal Assembly ratifies new procedures in September. But Mr. Wainwright has argued forcefully that such a deferment would turn the Assembly into an electoral lobby and that the issue should be resolved by June at the latest.

Liberal MPs maintained a strict silence about their attitudes as Mr. Thorpe continued his by-election campaigning at Wirral by-elections to-day may be the decisive factor in the issue. A poor vote in a normal weekly meeting at the Commons would undoubtedly increase the pressure on Mr. Thorpe to stand.

Unless there has been a marked shift of opinion in the past few days, however, it appears that Mr. Wainwright's move will result in a leadership election in favour of the party in the country. At Carnarvon last night, Mr.



MR. RICHARD WAINWRIGHT, Head count among MPs

Thorpe said: "I have more faith in the people of this country than most politicians. I have more faith in them because they have shown their faith in me."

In a scathing attack on the Press, he said that the public preferred "issues rather than innuendo." Yet politics was continually represented "as either a farce or a fix."

"When the Press are not ferreting around beneath the surface for a new and unsavoury story, they are sniping from above, constantly looking for ways to mock at the politicians and trip them up like stooges playing to circus clowns."

He said the Press seemed ready only "to maximise discontent, to dissect and destroy the already tarnished image of politics as an honourable profession."

It appeared yesterday that the Prime Minister's statement that South African interests had been involved in activities against Mr. Thorpe had afforded little respite for the Liberal leader.

By-election report, Page 8

# Government defeated on spending cuts

BY PHILIP RAWSTORNE

A SERIOUS left-wing revolt against the proposed cuts on public spending indicated a major defeat on the Government in the Commons last night. Some 70 Labour MPs, most of them members of the Tribune Group, sat in protest on the benches and abstained from a vote on the Government's White Paper. Two Scottish MPs voted with the Opposition. As Mr. Edward Short, Lord President, angrily remonstrated with the rebels, the Government was defeated by 284 votes to 255—an Opposition majority of 29.

Mr. Robert Mellish, the Government Chief Whip, left the Chamber soon after the vote and there was speculation among Labour MPs that he might feel obliged to offer his resignation. The Opposition victory—which followed a 30-vote defeat of a Conservative amendment—came as a big boost to Tory morale on the eve of to-day's by-elections in the Wirral and Carnarvon.

Conservative leaders expect that the Government's defeat on a major section of its economic programme will force the Prime Minister to ask the Commons within the next few days for a vote of confidence in the Government.

There is little doubt that the Government would carry such a vote. Mr. Arthur Latham, chairman of the Tribune group, said: "There is no doubt that we will play our part in supporting the Government and immediately."

Some of the Labour rebels, under pressure from Mr. Thorpe, agreed last night that a statement would be made to-day on the Government's position.

Mr. Harold Wilson, standing behind the Speaker's chair after the vote, ignored invitations from the exultant Tories to enter the Chamber.

There were indications last night that his own inclination might be to carry off the affair lightly, on the grounds that defeat on the Government's own attack had been repulsed and the Government lost its majority purely by Labour abstentions, a vote of confidence would be magnifying the importance of the Tribune Group unduly.

But such a course would provoke a major Commons row. A final decision on the Govern-

## TUC on pay

TUC leaders yesterday told Mr. Denis Healey that their views on future pay policy would be particularly influenced by the effect of his April Budget on unemployment and prices. They could give no indication of their thinking on the form of policy to replace the 25 per cent. limit not due to discuss the matter until after the Budget. Back Page

ment's action will be taken at to-day's Cabinet meeting.

Mr. Margaret Thatcher, told the Government Front Bench last night: "The Government has been decisively defeated and discredited, on a matter central to its whole economic policy."

Such a defeat is unprecedented. Mr. Thatcher declared. And she demanded, to man of the Tribune group, said another roar of cheers, that the Government should either resign or seek a vote of confidence immediately.

Some of the Labour rebels, under pressure from Mr. Thorpe, agreed last night that a statement would be made to-day on the Government's position.

Mr. Harold Wilson, standing behind the Speaker's chair after the vote, ignored invitations from the exultant Tories to enter the Chamber.

There were indications last night that his own inclination might be to carry off the affair lightly, on the grounds that defeat on the Government's own attack had been repulsed and the Government lost its majority purely by Labour abstentions, a vote of confidence would be magnifying the importance of the Tribune Group unduly.

But such a course would provoke a major Commons row. A final decision on the Govern-

FEATURES		The Florida primary	
Implications of London's	16	The happy-go-lucky	4
Economic viewpoint: benefits of mismanagement	18	European Court	6
By-election report: the Wirral	19	FT REPORTS	27-30
		Plant hire	24-25
ON OTHER PAGES			
Appointments	14-15	Labour News	12
Appointments, Advice	14-15	London Articles	13
Arts	22	Letters	14
Cooperation News	22-23	Lip	26
Crowned	23	Marketing Scope	27
Economic Inflation	23	Mr. Thorpe's Views	28
Entertainment Guide	23	Money Market	29
Farmhouse and Farm	23	Profits News	30
Materials	23	Public Affairs	31
Foreign Exchanges	23	Reprints	32
FT-Actuaries Indices	23	Share Information	33
Home News	23	Stock, Bond, Report	34
Int. Company News	23	The Technical Pages	35
		U.S. & Cont. Trade	36
		U.S. & Cont. Trade	37
		U.S. & Cont. Trade	38
		U.S. & Cont. Trade	39
		U.S. & Cont. Trade	40
		U.S. & Cont. Trade	41
		U.S. & Cont. Trade	42
		U.S. & Cont. Trade	43
		U.S. & Cont. Trade	44
		U.S. & Cont. Trade	45
		U.S. & Cont. Trade	46
		U.S. & Cont. Trade	47
		U.S. & Cont. Trade	48
		U.S. & Cont. Trade	49
		U.S. & Cont. Trade	50
		U.S. & Cont. Trade	51
		U.S. & Cont. Trade	52
		U.S. & Cont. Trade	53
		U.S. & Cont. Trade	54
		U.S. & Cont. Trade	55
		U.S. & Cont. Trade	56
		U.S. & Cont. Trade	57
		U.S. & Cont. Trade	58
		U.S. & Cont. Trade	59
		U.S. & Cont. Trade	60
		U.S. & Cont. Trade	61
		U.S. & Cont. Trade	62
		U.S. & Cont. Trade	63
		U.S. & Cont. Trade	64
		U.S. & Cont. Trade	65
		U.S. & Cont. Trade	66
		U.S. & Cont. Trade	67
		U.S. & Cont. Trade	68
		U.S. & Cont. Trade	69
		U.S. & Cont. Trade	70
		U.S. & Cont. Trade	71
		U.S. & Cont. Trade	72
		U.S. & Cont. Trade	73
		U.S. & Cont. Trade	74
		U.S. & Cont. Trade	75
		U.S. & Cont. Trade	76
		U.S. & Cont. Trade	77
		U.S. & Cont. Trade	78
		U.S. & Cont. Trade	79
		U.S. & Cont. Trade	80
		U.S. & Cont. Trade	81
		U.S. & Cont. Trade	82
		U.S. & Cont. Trade	83
		U.S. & Cont. Trade	84
		U.S. & Cont. Trade	85
		U.S. & Cont. Trade	86
		U.S. & Cont. Trade	87
		U.S. & Cont. Trade	88
		U.S. & Cont. Trade	89
		U.S. & Cont. Trade	90
		U.S. & Cont. Trade	91
		U.S. & Cont. Trade	92
		U.S. & Cont. Trade	93
		U.S. & Cont. Trade	94
		U.S. & Cont. Trade	95
		U.S. & Cont. Trade	96
		U.S. & Cont. Trade	97
		U.S. & Cont. Trade	98
		U.S. & Cont. Trade	99
		U.S. & Cont. Trade	100

## CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES	
AAH	168 + 6
Assed. P. Cement	197 + 5
Autoglastic	47 + 4
BBB Inds.	151 + 6
GTR	242 + 14
Barclays Bank	288 + 8
British Vita	80 + 4
Coral (J.)	123 + 1
Cashin (J.)	242 + 10
Dielt. and Ind. Secs.	431 + 3
GKN	242 + 4
Gosletner	193 + 3
Guardian Royal Ed.	223 + 9
ICI	400 + 4
Inveresk	89 + 3
Lucas Inds.	230 + 6
Merchandise	114 + 10
Wentfort	33 + 6
Morgan Gramplan	54 + 5

Nat
-----



# Tighter controls on aspirin proposed

BY DAVID FISHLICK, SCIENCE EDITOR

TIGHTER controls on sales of proprietary medicines—particularly those used to reduce pain or temperature, such as aspirin and paracetamol—are proposed in a report from the Medicines Commission, published to-day by the Department of Health.

The Government is recommending a package of controls on self-medication, which includes a ban on self-service sales of aspirin, allopurinol (an aspirin derivative) and paracetamol, even in chemists' shops.

The package, contained in a consultative document being circulated to medical, pharmaceutical and consumer organisations, also recommends warnings for all packets of the three drugs unless the brand name makes it clear that the product contains one of the three drugs.

The Medicines Commission has also recommended new lists of "prescription only" medicines and of medicines that can be sold reasonably safely without supervision by a pharmacist.

The document includes three lists: "prescription only" medicines, medicines which could be sold in ordinary shops, supermarkets, etc., and veterinary medicines. Medicines which did not appear on any of the three lists would be obtainable from chemists' shops without prescription.

Examples of medicines which would be subject to control include analgesics, which would be restricted to packets of 25 tablets or 10 sachets when sold from shops other than chemists' shops. Larger packets would be available only under the supervision of a pharmacist.

Most everyday remedies for such ailments as colds, coughs, indigestion, constipation and minor skin complaints would continue to be freely available. But the sale of eye drops and ointments would be restricted to chemists' shops.

Stronger medicines based on digitalis and bromides, for example, would be restricted to prescription only. Moreover, upper limits would be imposed on the strength of some drugs, such as quinine (when available from ordinary shops) and morphine (when available from chemists' shops).

But homoeopathic preparations, subject to certain conditions, would continue to be made available through the practitioners. The Department of Health is inviting comment on the proposals not later than May 31. It also asks for early warning of any organisation proposing to raise "points of substance"—defined as points which imply a major rewording if they were accepted.

# Call to study social role of companies

BY NICHOLAS LESLIE

RESEARCH projects costing more than £500,000 should be set up to examine the degree to which companies should make themselves socially responsible, according to a report published to-day by the Social Science Research Council.

The report, drawn up by an SSRC panel established in 1974, looks at increasing demands on companies to become more aware of their obligations on workers' health, employment practices, safety of products, and other matters.

It sees as a priority a need for case studies of some recent efforts to impose social responsibility by law in order to judge whether these efforts have been effective and whether side-effects have been produced. Possible additions to laws on the subject are also to be examined.

The SSRC considers this research a priority "not only because of the intrinsic importance of State intervention as a means of raising standards of social responsibility, but also because so much harm can be done by yielding to the pressure to legislate without sufficient examination of the problems created by doing so."

The report prefaces its recommendations with observations on the history of social responsibility of business and of the new pressures, such as greater densities of population and economic activities and new materials, for example, which have arisen more recently.

It traces the ability of business to adapt to social change and suggests that whereas early entrepreneurs like Joseph Rowntree could please themselves about expressing social responsibility, modern managers, however enlightened, "are more likely to be conscious of potential conflicts between social and other objectives of the company."

The panel suggests that the SSRC should initiate and maintain control of a programme of research and should seek funds from companies. It has costed a total research programme at £237,000, and feels £50,000 of this may be raised from interested firms.

The Social Responsibility of Business. A Report to the Social Science Research Council by an SSRC Advisory Panel, SSRC, 1 Temple Avenue, London, EC4Y 8D, 50p.

## RACING

# Red Vase for Francome

BY DOMINIC WIGAN

JOHN FRANCOME, who is maintaining such a fierce pace at the head of the jockeys' table, principally because of the fine form being shown by the Fred Winter-trained looker to land to-day's Portman Hurdle at Wincanton on Red Vase.

Richard Head's seven-year-old has made little show on his two appearances since falling by only half a length to give Rio 33 lb in the Cranborne Hurdle, over today's two-mile course and distance early in the season, but he has been tackling smart opposition and to-day's race represents a considerable drop in class.

Red Vase, who ought to have no problems in reversing Cranborne Hurdle, running with Rio on a stone better terms, seems likely to find Mrs. Kennard's locally-trained El Cardo his principal opponent. On his last appearance this El Ruedo gelding achieved a useful performance when putting his third success of the campaign here.

There are few tougher five-

year-olds in training than Baffin Bay, and I hope to see this son of Derring-Do make a successful return to the course in the Novices' Hurdle.

Two months ago Baffin Bay was not hard pressed to outpace the William Hill Organisation released the 1976 edition of its invaluable publication The William Hill Racing Year Book at its annual racing luncheon in London yesterday.

Among interesting articles in this edition is one by David Hedges on Longchamp, France's premier track, and another by Peter Willett, who discusses the effects of American bloodstock on the British turf.

The 1976 winners of the William Hill Golden Spurs award—Peter Waiwyn, Frankie Durr, Fred Rimell, Jimmy Stack and Dr. Carlo Vittadini—are profiled by Brough Scott.

The book, again edited by Tom Cosgrove, and published by Queen Anne Press, costs £2.75.

## SALEROOM

BY ANTONY THORNCROFT

# Prayer book sells for £10,200

A SPANISH prayer book, written on manuscript in Bruges in 1545 and embellished with 14 particularly fine miniatures, was sold at Christie's yesterday for £10,200 to Van Der Mercht, a Belgian dealer.

The prayer book was presumably produced for a courtier attending Charles V and, with the miniatures coming from the workshop of Simon Bening, is very rare. It had been estimated to sell for between £5,000-£8,000. It was part of a sale of valuable printed books, manuscripts and historical documents which totalled £37,124. Another item to better its forecast was a Book of Hours in Latin which has 14 miniatures and was produced in mid-France in the third quarter of the 15th century.

It sold to a German dealer, Neubauer, for £5,500. (A 10 per cent buyer's premium should be added to all prices quoted.)

The sale went quite well, especially the earlier manuscripts, but there were weaknesses. Joan de Castro's account of a Portuguese exploratory expedition to India in 1538, giving the first detailed description of the coast of the Red Sea, failed to sell, although it is likely to exchange hands privately.

This apart, a first edition of "Liber Chiriacum" by Hartmann Schedel, produced in Nuremberg in 1493, was bought by Maggs for £5,200, and, coming

back home, royal letters patent signed by Edward VI and dated April 5, 1547, very early in his reign, went privately for £3,000, as against a £500-£800 estimate.

The document also contains the signatures of the Privy Council, including Somerset and Cranmer.

Sotheby's sold Impressionist and modern paintings, drawings and watercolours for £22,714 and Japanese swords, sword fittings and armour for £48,303.

Among the pictures an unattributed 20th century French oil sold for £950, well above forecast, and a Dufy pencil sketch fetched the same price.

An ink and watercolour of Colette and her husband by Jacques Wely, which had belonged to Anton Dolin and was designed for the cover of a special edition of La Vie en Rose, sold for £230 as against a £60-£80 forecast.

The Japanese items did very well, totalling £48,303. There was strong Japanese buying. Vulcan Freight, agency for a Japanese buyer, gave £2,400 for a good Atsushi blade of 1897 (estimate £1,000-£1,500) and a Katana blade of 1884 sold for £1,700.

Of perhaps more general interest was the \$38,000 paid at Sotheby's this week for the Los Angeles, which belonged to the Western hero Bat Masterson. This is a record for an American-made gun and it was bought by a collector who specialises in

the firearms of the outlaws and lawmen of the Wild West.

Also at Los Angeles, a silk rug made around the turn of the century in the Kum Kapu quarter of Istanbul realised \$32,500.

China glass was the feature at Phillips yesterday. A model of Joseph of Arimathea's Church made £410 and Old Thatched Cottage, Poole, £210. A model of Portman Lodge, Bournemouth, sold for £190. They were all bought by James, a private collector.

In the above reports supplied by the City of Great Britain I refer to lower prices and to lower prices than those reported by other sources:

Depth	State	of Weather	°C
Channery	10	Good	10
Crane	30	Good	10
Dares	60	Fair	10
Las Ventanas	50	Fair	10
St. Meris	30	Fair	10
Saint Omer	30	Fair	10
Seefeld	10	Good	10
Weggen	70	Good	10
Alpbach	10	Good	10
Bodensee	10	Good	10
St. Anton	30	Good	10
Courchevel	50	Good	10
Les Arves	50	Good	10
St. Moritz	30	Good	10
St. Moritz	30	Good	10
Cellio	40	Good	10
Lifshammor	30	Fair	10
Voss	120	Good	10

## SNOW REPORTS

Depth	State	of Weather	°C
Channery	10	Good	10
Crane	30	Good	10
Dares	60	Fair	10
Las Ventanas	50	Fair	10
St. Meris	30	Fair	10
Saint Omer	30	Fair	10
Seefeld	10	Good	10
Weggen	70	Good	10
Alpbach	10	Good	10
Bodensee	10	Good	10
St. Anton	30	Good	10
Courchevel	50	Good	10
Les Arves	50	Good	10
St. Moritz	30	Good	10
St. Moritz	30	Good	10
Cellio	40	Good	10
Lifshammor	30	Fair	10
Voss	120	Good	10

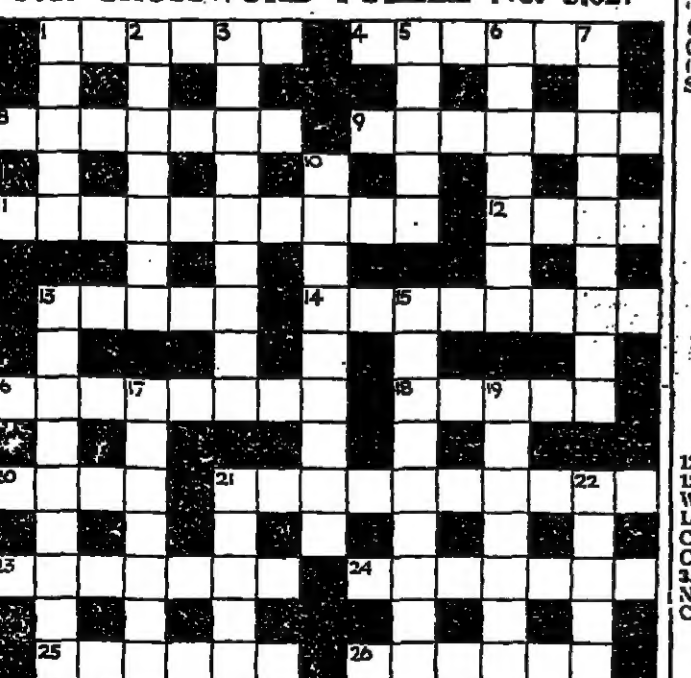
## TV Radio

↑ Indicates programme in black and white.

**BBC 1**

7.05 a.m. Open University. 9.41 For Schools. Colleges. 12.15 p.m. On the Move. 12.45 News. 1.00 Pebble Mill. 1.45 Trumpton. 2.00 You and Me. 2.15 For Schools. Colleges. 2.30 The 60, 70, 80 Show. 4.00 Play School. 4.25 The Wombles. 4.30 Jackanory. 4.45 Blue Peter. 5.10 John Craven's Newsround. 5.15 Stories Round the World.

## F.T. CROSSWORD PUZZLE No. 3,027



- ACROSS**
- Two months come to boil (6)
  - Musical of the 20's (6)
  - What's left of stability... (7)
  - ... of broken lyre if I ardently... (7)
  - ... caught remaining staff in awkward position (5, 3)
  - Female supporter has key to card game (4)
  - Goods transported in vehicle work... (5)
  - ... to catch female simulant... (4, 4)
  - Famous writer shoots sailor (4, 4)
  - North Briton ought to be in-cluded in run off (5)
  - Orchestra forbidden to sound off (4)
  - A canny fighter for a child to play with (3, 7)
  - Plant youth leader finds economical (7)
  - At some other time Capone is out of the side (7)
  - Quietly tied up in the first three (6)
  - Meeting of medium interest (6)
- DOWN**
- Attraction student finds in slow speech (5)
  - RAF chief could be quite a tease (7)
  - Grass on which a bird is standing (9)
  - Glassy sound of toast in prison (5)
  - Underdone part of dish (7)
  - Monopolist meant to mend a chap's shoes (4, 5)
  - Extreme moment when the hero runs out (6, 3)
  - Where to get the finest service but mind the bull (5, 4)
  - Boastful talk from southern Frenchman receiving assistance they say (9)
  - Wine produced by one artist (7)
  - Unfamiliar address given to mature runner... (3, 4)
  - ... getting name right (5)
  - Duck to notice going in the day before (5)
- (Solutions to Puzzle No. 2,925)
- MAJESTIC SPOTLIGHT**
- A P E R A R P E  
S H E A T E A R I D E A L  
I R A G O T M A R K E T  
E I T V N K R S  
F R I G A T E S U M M E R  
S O A L A A  
U N D I E S P U T A T A  
A N P R E A R  
B L O O D O M O R D R E M  
K M R U Y M S I  
O T A G O T H E M I S U S  
A H M E T I E  
D E A P E A R S T E N D E R

Crystal Tipps and Alistair. 6.00-6.45 Wales. To-day. 6.45-7.10 Scotland. 7.40-8.00 News. 8.10-8.30 Top of the Pops. 8.40-9.00 News. 9.10-9.30 When the Boat Comes In. 9.40-10.00 News. 10.10-10.30 The Good Old Days. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10-9.30 News. 9.40-10.00 News. 10.10-10.30 News. 10.40-11.00 News. 11.10-11.30 News. 11.40-12.00 News. 12.10-12.30 News. 12.40-1.00 News. 1.10-1.30 News. 1.40-2.00 News. 2.10-2.30 News. 2.40-3.00 News. 3.10-3.30 News. 3.40-4.00 News. 4.10-4.30 News. 4.40-5.00 News. 5.10-5.30 News. 5.40-6.00 News. 6.10-6.30 News. 6.40-7.00 News. 7.10-7.30 News. 7.40-8.00 News. 8.10-8.30 News. 8.40-9.00 News. 9.10



# The Chairman

by B. A. YOUNG

Chairman, the George and Margaret, seen in Philip Mackie's All the Characters but to his public relations. The odd one out is small psychologist. This led to reports on the actor and Assistant Director, the ambitious new Editor (or Editor) of the journal, and the secretary. They all their disapproval of the chief, and the psych records were a report of recent with them. He ends a six-month period downward criticism but ward criticism. The chairman passes this for station within depart.

his in Act One, Act Two he process in action; but on is substituted to the act of the act, which with office politics and demonstrating the two conclusions: one public relations as an assistant secretary; and two a hope of promotion is a stranger urge than self-respect.

There are quite a lot of good office-jokes in the play, if all the jokes were as good as the best of them we should have a pretty good comedy. The development of the plot is almost entirely confined to Act Two, but as Act Two is the one we remember as we go out into Shaftesbury Avenue, the author may hope to get away with this.

The acting under Gareth Davies' direction, achieves the needed quality. Peter Byrne, as the man who actually believes in PR, provides a splendid fountain of quasi-technical jargon, emphasising "every accentuated syllable with a human shiver of his fist or a prod of his forefinger. As the Director of Public Relations, Tony Britton is away in America for most of the first half of the evening, but on his return he is the very essence of deceitful smoothness. The remaining characters are only useful stereotypes with little call to pretend to anything more.

The open-plan office, full of trendy expensive furniture but somewhat curious in its geographical layout, is by Stuart M. Stanley. How many doors are there in the Director's room?



Tony Britton and Jill Melford in 'The Chairman.'

## Record Review

# Missae solennes

by PAUL GRIFFITHS

Beethoven Missa solennis: Margaret Price, Christa Ludwig, Wieslaw Ochman, Martti Tallela, Concert chorus of the Vienna State Opera, Vienna Philharmonic Orchestra/Böhm DG 2707 080 (£5.50)

Beethoven Missa solennis: Gundula Janowitz, Agnes Baltsa, Peter Schreier, José van Dam, Wiener Singverein, Berlin Philharmonic Orchestra/Karajan EMI SLS 079 (£5.50)

Beethoven Missa solennis: Anna Tomowa, Annelies Burmeister, Peter Schreier, Hermann Christian Polster, Leipzig Radio Chorus, Leipzig Gewandhaus Orchestra/Masur RCA LRL2 5045 (£5.98)

Beethoven Missa solennis: Lois Marshall, Nan Merriman, Eugene Conley, Jerome Hines, Robert Shaw Chorus, NBC Symphony Orchestra/Toscanini RCA AT300 (£2.98)

ties are richer and lovelier: there is more vibrato in his strings, and his wind ensemble has the greater glow. Indeed, for Karajan the Missa solennis is essentially an orchestral work, a sort of symphonic poem on the mass. His chorus is textured into the sound of the orchestra, and his recording is the most winning for colour and instrumental detail. To give just one example, he has the flute leading the solo voices at the setting of "Et incarnatus est" as if it were a cousin of Siegfried's feathered friend. Böhm is too austere to allow such ornamental beauty.

The impressive solemnity of Böhm's performance, however, does not cloud the moments of terror or jubilation in the work. He follows Beethoven in making sudden veers of tone, as when the meditation on Christ's passion in the Credo gives way to rejoicing at his resurrection.

Karajan is the least willing of the four conductors to be swayed so between extremes, but all acknowledge the need for a response which is alive to the movements of the text. In the section which is most difficult in character, the Kyrie, Karajan's stronger grip is, as one might expect, particularly effective. No other recording has quite the power of his in this movement: no other begins with such great waves of sound. Böhm cannot manage the same might in the Kyrie because his orchestra sound is less magnificent, and because his slow tempo acts here to weaken and delay.

Böhm's is the slowest of these performances and Toscanini's (of 1953) is the fastest, knocking almost a quarter of an hour off Böhm's time. Toscanini's speed is a necessary concomitant of his acutely dramatic approach. His singers are the most fervent, though not the most pleasant to hear, and his orchestra is the most exciting with brass well in the fore.

His dynamics are directly, maybe too blatantly, attuned to the sense of the text, and his rhythms have a tight immediacy. Metre, however, is another matter, and the failure of a firm metrical control makes his Kyrie a poor thing. Still

more unfortunate is the hectic rush of his fast tempos: some sections are chased into breathless banality.

Masur, though he takes a much less stately view of the work, also inclines to occasional spurts of speed, and in his case they are allied with unsophisticated rhythms which lead to a boring run-tum-tum motion. There is in his recording a general lack of sensitivity to phrasing in the orchestra and among three of the soloists. His chorus, however, is coalescing when singing as a more assured than any except perhaps Böhm's, though no group of human voices is going to sing Beethoven's parts with anything like ease. A minor point, but I found an irritating one, is the strong German-style pronunciation of the Latin in Masur's recording. Böhm's singers treat their consonants with more discretion.

Peter Schreier, who far outshines his colleagues under Masur, is also heard to excellent effect in the Karajan and Böhm's tenor, Wieslaw Ochman, has a rather incongruous Italianate style and, in the earlier movements especially, an unattractive damp clogging to his tone. It is with some relief that one comes upon the "Et incarnatus est" to find that Böhm has returned to having the tenor part sung chorally. These few bars, incidentally, display a most perfect realisation of Beethoven's archaic phrase: the soloists on the Böhm records are exceptionally fine.

Margaret Price, whose flights are so beautifully shaped and sensed, is the best of the four sopranos, though Gundula Janowitz, singing for Karajan, is a less stately view of the work, also inclines to occasional spurts of speed, and in his case they are allied with unsophisticated rhythms which lead to a boring run-tum-tum motion. There is in his recording a general lack of sensitivity to phrasing in the orchestra and among three of the soloists. His chorus, however, is coalescing when singing as a more assured than any except perhaps Böhm's, though no group of human voices is going to sing Beethoven's parts with anything like ease. A minor point, but I found an irritating one, is the strong German-style pronunciation of the Latin in Masur's recording. Böhm's singers treat their consonants with more discretion.

Peter Schreier, who far outshines his colleagues under Masur, is also heard to excellent effect in the Karajan and Böhm's tenor, Wieslaw Ochman, has a rather incongruous Italianate style and, in the earlier movements especially, an unattractive damp clogging to his tone. It is with some relief that one comes upon the "Et incarnatus est" to find that Böhm has returned to having the tenor part sung chorally. These few bars, incidentally, display a most perfect realisation of Beethoven's archaic phrase: the soloists on the Böhm records are exceptionally fine.

## Verdi Requiem

by MAX LOPPERT

ing stifled regrets over the opera La Scala failed to London to match Verdi's three for Milan (the single performance conducted by Claudio Abbado) with a of occasion. All great of the world have heard performances of the Requiem, so the reputation was revelation, not of a deeper, ver, fier, more-meaning, ending than the Glinski-ronia performances for the s. Rather, one looked for to the rewards and splendours of an Italian sound, to a "comment" (to put naly) on Verdi by Italy's Verdians.

the disappointment of the stern, mostly hard-edged nt of the music that fol- it was still possible to at the purely Italian-ness: the robust, full- ed style of the choral- ating a much more vibrant, coloured tone than yet English choirs that yet fused up (the altered, in the best sense, like d of Barberis, Federrini, Cioè, Ghisla, etc.) and, tapered and never- disciplined orchestral timbres, rich was notable the tang- ven brass and reedy winds, to fine dramatic eloquence: Italian soloists in the, all direct of manner and stoned of voice.

the overriding want of ion, meditation, and fuses in the performance be blamed on the con- This was a surprise all- ester for having been con- by Abbado's operatic- capable of true grandeur- ous intimacy and subtlety.

combine. Here he seemed to chopping-pieces between move- ments, arising out instrumental effects with cannon, dispatch, seldom indulgent to the needs (happily few) of human singers. In the "Lux aeterna," the majestic restraint of the mezzo bearing in the laying out of the lines, despite a new, constant threat of edginess to the tone) promised marvels; but the movement was over before, appar- ently, it had begun. Often the choir's chattering, along- look on a disconcerting jaun- tiness.

In the solo, balance was more likely to be restored, notably by Miss Ludwig and the tenor, Veriano Luchetti, heroic, sen- sive, excellently well-bal- anced in diction. Ruggiero Ramondini tended at the start to thick, recovering care and con- centration in the "Offertorio." The soprano, the vastly improved Katia Ricciarelli, floated some- what gleamingly clear, well- focused sounds, along with choir that still needed war- ping-pointing of pitch, and most of all the soloists, attempted to establish the note of supplication that the quick-and-span, north- ed and tapered and never- disciplined orchestral timbres, rich was notable the tang- ven brass and reedy winds, to fine dramatic eloquence: Italian soloists in the, all direct of manner and stoned of voice.

## Incorporated Photographers exhibition

There is an exhibition of the work of 100 Fellows of the Institute of Incorporated Photographers at the Royal Photographic Society's gallery, 18, South Audley Street, W.1. It remains open until April 2.

# Letter from California

by CLEMENT CRISP

beautiful, vertiginous San Francisco driving scene, like on the Big Dipper, the car up the impossible gradient for Street on to Nob Hill, ram there and back, the Performer's basking in the sun, the cable cars that go up and down the steeply streets are no mean feat, but the most practical of public transport, ideal for the Fisherman's Wharf, Victorian square, now an- tage of small, elegant, ues.

Francisco is a constant of surprise—sudden, courtyards glimpsed from feel are a mass of living, the older houses, most- iron-work and fire-escape; at Power, which like the of a first-class hotel, e point to view the glitter- pane of the modern city, across the Golden Gate at Sausalito there are mag- in bloom and a fleet of water in the Bay. The Palace of the Legion of r, reached through golf and overlooking the Bay, a tremendous selection of ros from the Norton H. Collection to boost the 's own fine French dis- a tiny, luminous nude by- ing, a couple of superlative s of Duchesse impersonat- ues, the salon from the of Humfrays in Paris in it 1786, looking as if it had ten varied by its owners; extraordinary Louis XIV cabinet containing a "cen- stage" setting, with gilt- figures, evoking the est of Solomon. And as a exhibition of the points change by Edgar Chénier, maniano-French, illustrat- Belle Époque, who seemed apt in capturing the of the very rich and the our, elegant and whores, vril and race-pickers.

this is part of a city which und earlier this month, is- tially endearing. There is the San Francisco Ballet, the oldest troupe in the celebrating its 43rd birth- le year. At the spacious Angeles, Memorial Opera House, Theatre was giving a three-week performance which began season at the Dorothy Chandler the Macy's Casino, by Pader- a splendid auditorium of San Francisco, where the of the company with magnificent Arts Centre. (Both

Low Christensen. It is a set of politically lyrical dances to an eminently forgettable score by Carl Reinecke, but like the other works in the programme it was aptly played by the Performer's, who were under Deas- ne. The cable cars that go up and down the steeply streets are no mean feat, but the most practical of public transport, ideal for the Fisherman's Wharf, Victorian square, now an- tage of small, elegant, ues.

Francisco is a constant of surprise—sudden, courtyards glimpsed from feel are a mass of living, the older houses, most- iron-work and fire-escape; at Power, which like the of a first-class hotel, e point to view the glitter- pane of the modern city, across the Golden Gate at Sausalito there are mag- in bloom and a fleet of water in the Bay. The Palace of the Legion of r, reached through golf and overlooking the Bay, a tremendous selection of ros from the Norton H. Collection to boost the 's own fine French dis- a tiny, luminous nude by- ing, a couple of superlative s of Duchesse impersonat- ues, the salon from the of Humfrays in Paris in it 1786, looking as if it had ten varied by its owners; extraordinary Louis XIV cabinet containing a "cen- stage" setting, with gilt- figures, evoking the est of Solomon. And as a exhibition of the points change by Edgar Chénier, maniano-French, illustrat- Belle Époque, who seemed apt in capturing the of the very rich and the our, elegant and whores, vril and race-pickers.

this is part of a city which und earlier this month, is- tially endearing. There is the San Francisco Ballet, the oldest troupe in the celebrating its 43rd birth- le year. At the spacious Angeles, Memorial Opera House, Theatre was giving a three-week performance which began season at the Dorothy Chandler the Macy's Casino, by Pader- a splendid auditorium of San Francisco, where the of the company with magnificent Arts Centre. (Both

this and the San Francisco Opera House would be ideal settings for the Royal Ballet: the Californian audiences plainly adore ballet.) With a repertoire of 22 ballets, playing in perform- packed and ecstatic houses, and what better way was there of renewing acquaintance with the company than Fancy Free?

After more than 30 years the boisterous antics of those three sailors on shore-leave are still irresistible, and still irresistibly danced. Buddy Baloogh, Terry Orr and Kirk Peterson are worthy inheritors of the white, suits and chewing-gum, dancing with the nonchalant bravura and magnificent timing that has always made this such a joy to watch.

The ballet is as fresh as ever, and now seems a text-book ex- ample of gesture as he smokes business sharpened over the years to maximum effect: Baloogh snatching a beer in mid- solo and miming pirouettes with one hand; Orr shooting a line (how easily war-time slang comes to mind) as he smokes a Zorro; Peterson snaking his way through a Rumba-a role also taken magnificently well by John Prinz at a later performance.

Very different the succeeding La Sylphide. As "re-staged by Erik Bruhn" this is unappealing in almost every respect. The score has been arranged by John Lanchbery and sounds brash and vulgar: the first act costuming offers far too much gleaming satin for the Highland lasses and some alarming yellow tress for a couple of pipers; the action in Act I seems over-simplified and hurried, with the Bourdonville manner in step and pantomime skimped. In such a setting it would need a far stronger per- formance than Gelsey Kirkland's as the sylph to make any sense of the piece. With her waif-like appearance and beautifully easy technique, Miss Kirkland should be a notable interpreter, but there seemed no imaginative force, no continuity of feeling behind her dancing. She looked flustered, intent upon steps rather than on the delicate poetry of the role, and neither she nor her James (Ted Kivitt) caught the Romantic crisis that lies at the heart of the ballet, any more than does the produc- tion. The saving grace of the

matinée I saw was Erik Bruhn's account of Madge. Here was all the power of mime and imagination so lacking in every other performer in the piece. Bruhn's character, playing in a devilish glee as the witch triumphs in Act 2, recalled that first great Madge we saw in 1953, Gerda Karstens.

Happily, the evening performance brought us Natalya Makarova as the sylph, and she trans- cended and transformed the whole dreary affair. I reported on her interpretation a couple of years ago when she and Baryshnikov danced with her in the role of the sylph. Lovely then, her account of the role seems even more remark- ably light—in step and in nuance of playing—she makes the sylph a creature of other- worldly caprice, impulsively child-like, dancing with the sweet naturalness of a bird singing. It may well be less Bourdonville's sylph than Taglioni's certain poses—so prettily smiling with eyes downcast, arms cir- cuitously curved—are exactly those of Chalon's lithographs of Marie plaine de grace.

As she kneels at James's feet, beseeching him to flee with her, you might expect every man in the audience to follow her, so beguiling is her charm. The unaffected, sunny joy of Act II—and the extraordinary moment when, back to the audience, she tells everything of the sylph moving from tears to laughter—is compounded of exquisite finesse as each step is linked into a gently shaded dynamic phrase. The feathery run on point as she brings strawberries and water to James (Ivan Nagy), the beautifully varied and yet consistently sustained pulse of her dancing, testify to a complete understanding of the rôle. The death scene is poi- gnant, and marvellous here the way gesture seems to float on the air. This is unique Kirov quality, wherein the arms acquire the precisely correct physical and dramatic weight, a form of muscular intelligence which Makarova shares with Baryshnikov, and something I shall hope to consider in a later report on Makarova's Royaladve and Baryshnikov's Albrecht, as well as on the rest of the AET season.

## Festival Hall

# Leppard

by DOMINIC GILL

Rudolf Kempe was ill, so Ray- mond Leppard took over the direction at short notice of last night's BBC Symphony Orchestra concert, also broadcast on Radio 3.

It was a programme of favourites, classical and modern—a happy evening, which scaled no great heights of performance, but which left us all, on its relatively modest slopes, still pleased and well satisfied. Perhaps only Debussy's Three Nocturnes yielded up less of their magic than they ought—so fine-spun a dynamic web tolerates only the finest, most discreet articulation. The opening of Auances, otherwise prettily played, never seemed really pianissimo, failed to establish a point of reference beside which all the other shades of piano in the movement might be judged. Fêtes took off into excitement about half way through, after the trumpet trio, exquisitely murmured; Sirènes, with the women's voices of the BBC Sin-

gers, was nicely graded, soft and sweet.

Bolch's Schelomo takes a hum- ble place in that list of works—like Meistersinger, or Elgar's first symphony, Don Quixote or Pierrot Lunaire—destined either to be dearly loved or dearly disliked. I own to a more-than-sneaking affection for it; turbulent, sentimental music, touched with wistfulness and melancholy, but tough, entirely without schmalz, scored with fine economy, leavened with some splendid tunes. If Leppard never spurred his orchestra in this Schelomo to their very grandest expressive purpose, he made it all the same a convinc- ing and well-rounded reading—warmed by Leonard Rose, the cello soloist, with the persuasive nut-brown tone.

The programme ended under Leppard with a clear, un- mannered account of Beet- hoven's Fifth, done with affec- tion and polish; powerfully familiar music, in such a clear- minded; Sirènes, with the women's voices of the BBC Sin-

## Coliseum

# Mary Stuart

by ELIZABETH FORBES

At the Coliseum last night the English National Opera produc- tion of Donizetti's Mary Stuart was revived with three singers, new—or new in London—to the three principal roles. To take the Royal ladies in order of appearance: Margaret Haggart sings Queen Elizabeth with confidence and security. It is the best thing she has so far done with the company, and the music lies naturally and therefore com- fortably, for her voice. In the first act she has moments of petulance instead of rage, but by the time she confronts her rival Mary Stuart at Chatsworth, she has dug deep enough into the character to produce an impres- sive amount of hatred, spite and jealousy. She also vividly con- veys Elizabeth's indecision before the signing of the warrant for Mary's execution.

Sarah Walker has already sung the title role on tour. She composes a portrait of the Queen of Scots that, though less overtly full of pride than Janet Baker's interpretation, is still unassailably convincing of her own innocence and righteous- ness. Miss Walker sings Mary's first aria, the evocation of her former happiness in France, with lovely gentle tone and fine- spun line. Her voice is occasion- ally too soft-grained to tell in the ensembles, but in the con- frontation with Elizabeth she turns on her tormenter with great dignity. She varies the long scene with Talbot skilfully and

and is moving in her final prayer and farewell to Leicester. David Rendall makes a sym- pathetic Leicester, bringing just the right air of honesty—of naivety almost—in the character that Donizetti's Robert Dudley—though not history—seems to radiate. His lyrical, well-produced voice, with its strong low register, ensures that he has no difficulty with the higher range of his music, though some of the lower-lying phrases could be projected more firmly. Apart from a last-minute appearance at the ENO Gala last month (when he sang a mellifluous Des Grieux in the Saint-Sulpice scene from Massenet's Manon), it is his debut—and an auspicious one—the company.

John Tomlinson's reasonably sung Talbot and Christian du Plessis's foxy Cecil are familiar and accomplished characterisa- tions. John Copley's production, rehearsed by David Ritch, is in good shape, while Desmond Heeley's sets and costumes re- overtly full of pride than Janet Baker's interpretation, is still unassailably convincing of her own innocence and righteous- ness. Miss Walker sings Mary's first aria, the evocation of her former happiness in France, with lovely gentle tone and fine- spun line. Her voice is occasion- ally too soft-grained to tell in the ensembles, but in the con- frontation with Elizabeth she turns on her tormenter with great dignity. She varies the long scene with Talbot skilfully and

# Your accounting system needs updating. What are you going to recommend to the board?



If you have between 50 and 500 employees and are thinking of automating your accounting system, you will probably think first about a service bureau or visible record computer. Think again! You may be letting yourself in for something far too slow and complex.

Think instead about a system based on the Hewlett-Packard 9830 calculator.

Can a calculator automate an accounting system? Indeed it can. The 9830 is as powerful as many computers. It can handle your payroll, inventory accounting, order processing, invoicing, management information, and dozens of other assignments too.

What are the advantages of the 9830? First, of course, price. Although you buy computer power with a 9830, you pay calculator prices. Second, convenience. The 9830 isn't a vast complex of machinery. It's a desk-top machine so logically designed and simple to operate that any member of your staff can use it.

You don't have to queue up for access, or make a telephone call to talk to it; or employ a specialist to translate for it. You talk to it in your

own language through its typewriter keyboard, and it talks back through its display, again in your own language. And consider running costs: if you want to spend an hour or two experimenting with a new and better method of say, stock control, it will cost you the price of the electricity and a few pence for paper. Compare that to two hours of computer time.

Fully programmable in BASIC. BASIC is the simplest of all programming languages, and already has many commercial and financial programs.

But you don't have to be a professional programmer to write your own, or modify an existing program to suit your special needs, because the 9830 has full programming and editing facilities.

Can a calculator automate an accounting system? Indeed it can. The 9830 is as powerful as many computers. It can handle your payroll, inventory accounting, order processing, invoicing, management information, and dozens of other assignments too.

What are the advantages of the 9830? First, of course, price. Although you buy computer power with a 9830, you pay calculator prices. Second, convenience. The 9830 isn't a vast complex of machinery. It's a desk-top machine so logically designed and simple to operate that any member of your staff can use it.

You don't have to queue up for access, or make a telephone call to talk to it; or employ a specialist to translate for it. You talk to it in your

Broad range of peripherals. The 9830 connects to a whole range of peripheral devices to give you maximum choice of input and output methods, paper tape, punched card readers, typewriter, line printer and a disc system which adds a computer-sized 4.8 million characters of memory if you need it. And if you want to link-up with a big computer system, the 9830 will act as a flexible terminal.

The cost-effective solution. The 9830 fills the gap between calculators and computers. It becomes the heart of a complete data processing system, but you only buy what suits your particular needs. If you want to expand in the future, it will grow with you. If you want to change your system, it will adapt to your new ideas. If you would like to know more about this uniquely versatile system, just send in the coupon.

To: Enquiry Department OAB, Hewlett-Packard Ltd., Wincersh, Wokingham, Berks. RG11 5AR.

My interest is: (Tick as applicable)

GENERAL ACCOUNTING	<input type="checkbox"/>	SALES ANALYSIS	<input type="checkbox"/>
PAYROLL	<input type="checkbox"/>	INVOICING	<input type="checkbox"/>
INVENTORY CONTROL	<input type="checkbox"/>	OTHER	<input type="checkbox"/>

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Postcode: \_\_\_\_\_ Tel: \_\_\_\_\_

HEWLETT-PACKARD

Sales and service from 172 offices in 85 countries. Wincersh, Wokingham, Berks. RG11 5AR. Tel. Wokingham 70474.







## OVERSEAS NEWS

### LEBANON REBELLION

# Threat of military takeover

SAN-HIAZI

IN TO-NIGHT testered officers, accusing the politicians ending the military crisis here. He joined the two other Syrian officials already here, Foreign Minister Abdel Halim Khaddam and Air Force Commander Vice-Air-Marshal Najj Jamil. Three more garrisons were

ending the military crisis here. He joined the two other Syrian officials already here, Foreign Minister Abdel Halim Khaddam and Air Force Commander Vice-Air-Marshal Najj Jamil. Three more garrisons were

BEIRUT, March 10.

Informed sources said that, with this kind of military split, Syrian intervention might be inevitable.

L. Dapief writes from Tel Aviv: Israel will deal with Lebanese deserters who have taken over Army positions near the border with Israel in accordance with their conduct, Israeli Defence Minister Shimon Peres said today. This followed the news that deserters have taken over a third position near the border, this time at Al Chiam, about three miles inside Lebanon. The deserters are reported to be in possession of artillery and thus be able to shell Israeli settlements in the region.

Meanwhile, informed Israeli sources have denied reports that Syria has built a SAM missile defence system in Jordan. These sources point out that Jordan is buying Hawk missiles from the U.S. for air defence.

In the Knesset today, Israeli Premier Yitzhak Rabin called upon the U.S. not to accelerate the Middle East arms race by supplying Egypt with U.S. weapons in addition to the Russian material already in Egyptian hands. He also warned Syria not to exploit the renewal of the UN peace-keeping force mandate (due in May) for political purposes. Seeing the results of the last renewal in November, which ultimately led to the appearance of the PLO before the Security Council, many observers here hold that if Syria again tries to make extension of the UN mandate conditional upon political concessions, it would be better to do without the force.

UPI adds from Cairo: Romania notified the Arab League today that it would not renew its contract with the Israeli Government for pumping crude oil it imports from Iran through the Israeli Eilat-Asdod pipeline. In a letter to the League's boycott of Israel office, the Romanian Government said that the oil would be carried in tankers through the Suez Canal. In the future, it would be pumped through the Egyptian Suez-Alexandria pipeline.

## No new proposals made, says Smith

By Bridget Bloom

SALISBURY, March 10. THE CONFUSION and uncertainty already surrounding the settlement talks here between the Rhodesian Government and the African National Council (ANC) was compounded today with the publication of a denial by Mr. Ian Smith, the Rhodesian Premier, that his Government had made any new proposals at last session of talks ten days ago.

Following that session, Mr. Joshua Nkomo, the leader of the Rhodesian-based ANC wing, said that some "interesting new proposals" had been made. Other ANC sources said later that the proposals, which had come from the Rhodesian Government, constituted a "near breakthrough".

However, in an interview with the Rhodesian Herald published today, Mr. Smith denied this. "I have no hesitation in telling you that I am unaware of any new proposals—at any rate from Government," he was quoted as saying.

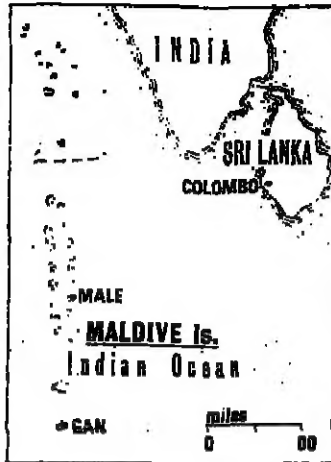
Mr. Smith also denied that there was any truth in persistent speculation that he was now prepared to offer the ANC equal representation in Parliament in an interim government, which could, according to reports, last two years. Tony Hawkins adds: The Rhodesian Ministry of Finance today announced a mild tightening of exchange control regulations in respect of non-residents wishing to repatriate capital from Rhodesia. Until today, non-residents have been able to disinvest in Rhodesia and purchase an issue of Government bonds, carrying a 4 per cent interest rate for a six-year period. Such foreign investors were then automatically able to repatriate one-sixth of the amount of capital each year over the six-year period. However, the automatic nature of this facility is suspended from today.

Parliament Page 13

## Britain prepares to pull out of Maldives

# Plight of the happy islands

BY KEVIN RAFFERTY



IN THE South of the Maldives Islands there is a community where even a fastidious Surrey suburbanite would feel at home, cosseted by comfortable and air-conditioned housing, a well-equipped hospital, tastefully laid out lawns and flowerbeds, and even an airport with a jet-length and jet-strength runway. Yet in a matter of weeks all that will be virtually deserted. By contrast, in the capital a shanty colony of labourers is busy pushing slabs of coral into the sea to try to scrape together another few square feet of dry land and allow the bursting population humble homes in which they can eke out a living. Such is the special plight of the Republic of the Maldives, a chain of 2,000 coral islands, none of them more than five square miles big. In ordinary circumstances not many people would worry about the minuscule. It has a seat at the United Nations, but is too poor to afford an ambassador there. There are only 130,000 Maldivians spread over the 205 inhabited islands, and the whole lot is more or less the personal fiefdom of President Ibrahim Nasir. Even some specialist books such as the far eastern economic review Asia Yearbook and its all-Asia guide ignore the Maldives.

But at the moment the Maldives are getting their fair share of international attention. The islands occupy 450 strategic miles of Indian Ocean just reaching south of the equator, and the spot soon to be nearly abandoned is the Royal Air Force staging post base of Gan. There have been plenty of rumours in the area that the Soviet Union would be most interested in using Gan, though there is no proof of a firm approach. Around the beginning of February a squadron of Iranian destroyers spent a week off Male, the Maldivian capital. In February, too, Indian airlines began a twice-weekly service between Trivandrum and the Maldives. Air experts said they could not hope for commercial success, especially now that the short tourist season is over. Out in mid-ocean it is not uncommon for Maldivian fishermen to see bigger vessels on the prowl and not always for fish.

Those in and around the Government stress that the Maldives think the best chances of retaining its identity are by steering clear of too close an entanglement with one power. Some officials talk optimistically of establishing a tourist island on and around Gan—but that is more easily said than done. The number of tourists visiting the Maldives has risen from about 50 in the early 1970s to more than 7,000 last year. The Neckerline and the Kuoni groups bring them in by the Jumbo Jet load for a week from Sri Lanka, landing at Hulule, near Male. The Maldivians have shown a great deal of initiative in dealing with bigger powers and in making money out of them. One of the main instances is the shipping line which has 25 vessels totalling 200,000 deadweight tons. Although the Maldives is entirely Muslim, one of the mainstays of the shipping lines is carrying Israeli goods. Some of the republic's Islamic brethren have protested, but one official in Male told me: "We explained to them, and they understood, that business is if they have fish, they are happy

## Teng unlikely to survive attack backed by Mao

OLINA McDONAGH

Important editorial that Teng must go, the more moderate among them are not Halim Mao. Teng-tung, prepared to see a repeat of the "People's Daily" dislocation that accompanied the Y again attacked Vice-Premier Teng. Teng-tung, who weeks ago was expected to resign, was now expected to be the late Premier's successor. The editorial said the present political situation should not hamper agriculture or national and for the sort of activities that caused during the Cultural Revolution.

The editorial seemed to let the Communist Youth League, which advocated "People's Daily" on the press, it probably represents the present political leadership. Also articles likely to be published in the Press with far less than editorials. The first part of yesterday's editorial, which condemned "person" who tried to "previous verdicts"—in words, who attempted to policies brought in the Cultural Revolution. The editorial said "previous socialist" for which he was condemned in the Cultural Revolution. Premier Teng seems unable to survive this attack especially as it was led by Chairman Mao, the stress in the second editorial on staying "red" suggests that if leadership has agreed

The power struggle in Peking can no longer be analysed in terms of radicals and pragmatists. Some middle ground seems likely to emerge where leaders may be found who have come to the fore as a result of the Cultural Revolution, but yet hope for rational growth. Former supporters of Teng may find a niche among them, since it must be clear that he has little political future.

China's economy was seriously damaged during the Cultural Revolution by Red Guard disruption of factories, mines and transport. Workers formed into factions, and pitched battles took place. Production of coal and steel fell drastically, and exports were badly hampered by long delays on Railways and at ports.

The collapse of authority meant that absenteeism was rife. China has since steadily rebuilt its planning system and invested enormously in heavy industry, particularly oil. Agriculture is the target of an important new campaign to increase yields, and trade has expanded rapidly, with China now buying sophisticated technology from the West. Therefore, the Chinese have much to lose if they embark on a highly disruptive political campaign, but it seems possible that this is recognised in Peking, at least among some leaders. Yesterday's editorial suggests great effort will be made to preserve the economy from damage, although there is bound to be anxiety among the officials who have to take economic decisions.

### Compromise

The compromise between those who oppose Teng and those who want to pursue the stable economic policies that the editorial seemed to embody was further brought out by the comment that "the small minority of revolutionary cadres who have taken an erroneous line should be helped to change position." This suggests that, although policies brought in the Cultural Revolution may remain their jobs, the Chinese leadership will possibly be obliged to accept the reforms in education and culture, in exchange for concessions in economic policy. However even among those who have previously been radical, there may now be some acceptance of the need to go slowly in politics to avoid disruption in the economic growth plans outlined last year.

## Police act as violence looms in Bangkok

RICHARD NATIONS

A swept through the move to seize power either before or shortly after the elections. Ironically, the political realignment which promises to produce a more stable Government in the next Parliament have contributed to the tensions here which threaten the country's elections, scheduled for April 4. A coup attempt last night, the assassination of a socialist, bombings of left student and political headquarters and death against the lives of leaders have all combined to heighten the tensions. The Socialist Party of Thailand, of a total U.S. military is expected to do badly at the polls as a result also of word

BANGKOK, March 10.

altering down from Laos to the peasants in the North-east that life under the Communists is not so good. This fragmentation among both the left and right-wing political parties has cleared the ground for the centrist parties, but has also dramatically polarised politics in general. Most observers feel Kukrit will have until after the elections to construct the delicate balance between military and civilian some of the other major parties that stand to gain in the elections, the Thai National Party, Democrats and New Force Party. If no government emerges, most feel a return to a military regime inevitable.

## Australia, N.Z. appeal to U.S.

ALLIA and New Zealand

by the Soviet Union. Mr. Muldoon reiterated his belief that it was essential for the U.S. to match and balance Soviet strength in the Indian Ocean and neighbouring regions. He has repeatedly declared the need for strong American forces in the Pacific and Indian Oceans since he gained power last December. His Government recently endorsed and welcomed the development of the U.S. base on Diego Garcia, the remote British-owned Indian Ocean island, as a counter to increasing Soviet naval activities south of India.

Mr. Fraser reiterated his belief that it was essential for the U.S. to match and balance Soviet strength in the Indian Ocean and neighbouring regions. He has repeatedly declared the need for strong American forces in the Pacific and Indian Oceans since he gained power last December. His Government recently endorsed and welcomed the development of the U.S. base on Diego Garcia, the remote British-owned Indian Ocean island, as a counter to increasing Soviet naval activities south of India.

SYDNEY, March 10.

Mr. Fraser reiterated his belief that it was essential for the U.S. to match and balance Soviet strength in the Indian Ocean and neighbouring regions. He has repeatedly declared the need for strong American forces in the Pacific and Indian Oceans since he gained power last December. His Government recently endorsed and welcomed the development of the U.S. base on Diego Garcia, the remote British-owned Indian Ocean island, as a counter to increasing Soviet naval activities south of India.

Mr. Muldoon denied that the South Pacific forum had bowed to pressure from the U.S. and bluntly declared: "We are being realistic. Do we, or do we not, want the ANZUS pact to continue?" Mr. Fraser's Liberal-National Country party coalition government, dismayed by what it says has been a run-down of Australia's defence capacity under the previous Labour administration, is now examining ways to increase its defence forces and modernise equipment.

In an interview published in the Sydney Morning Herald, Mr. Killen emphasised that 80 per cent of Australian trade was by sea routes and stated: "The whole of our economy depends on oil and if we are denied oil our economy would lumber to a halt or operate under very grave difficulties." A Soviet destroyer and a military transport ship arrived at Port Louis in the Indian Ocean island of Mauritius today for a week-long official visit, the Defence Ministry newspaper, Krasnaya Zvezda said, UPI reports from Moscow.

### THREAT TO STABILITY

WELLINGTON, March 10.

It would be naive to think there will be no threat to peace and stability of south east Asia in the next few years, the Prime Ministers of Australia and New Zealand said in a joint statement today. Growing Soviet global imperialism reflected by Soviet involvement in Angola and the increased Russian presence in the Indian Ocean were clear indications of what could happen in south east Asia. The two Prime Ministers were speaking after a day-long conference in which they discussed future bilateral relations, the world trade situation and joint defence.

The eight nations endorsed the concept of a nuclear-free zone, but agreed to allow nuclear-armed ships, powered by nuclear reactors, to pass through the zone. Australia, New Zealand and the U.S. called for a zone of nuclear-free ships in the area. The formula adopted was seen as a step towards a nuclear-free zone in the Pacific. The U.S. and New Zealand were the major forces behind the initiative. The U.S. and New Zealand were the major forces behind the initiative. The U.S. and New Zealand were the major forces behind the initiative.

## SIEMENS

We've multiplied this man's productivity—and given him an easier day.

He's just been put in charge of no less than 8 production line sequences. But now his new work-mate, a Siemens SINUMERIK Numerical Control system, will make him more efficient and productive, less prone to strain or error.

Automating many stages of the manufacturing cycle, it means greater accuracy, shorter production times.

This is just one example of our wide capability in electronic and power engineering.

Here, and in many other fields, you'll find Siemens at work—bringing technology to life.

Write for our publication "Siemens in Great Britain" to Siemens Ltd., Great West House, Great West Rd., Brentford, Middx. TW8 9DG. Tel: 01-568 9133.

Electrical and electronic engineering at its best. Siemens.





## EUROPEAN NEWS

## EURO COURT OPINION

## Cost of equal wages for women

BY ROBIN REEVES

BRUSSELS, March 10.

BRITISH industry is faced with a bill for many millions of pounds in back-dated pay to women as a result of a legal interpretation of Rome Treaty rules on equal treatment for men and women delivered in Luxembourg today.

The interpretation came from the European Court of Justice Advocate-General, who was called upon to give an opinion on Article 119 of the Rome Treaty. This provides that EEC member states "ensure and subsequently maintain the application of the principle that men and women should receive equal pay for equal work."

Sweeping aside arguments that the application of the equal pay principle in EEC member

states requires first enabling legislation in national parliaments to be effected—as government lawyers have been hoping—the Advocate-General advised the Court's judges that the equal pay principle has been "directly applicable" since January 1, 1962.

This is not the last word. The European Court's final judgment is expected to be given later this month. But his opinion is usually a good guide to the eventual verdict. And British officials here admit that, if the final ruling goes along with the Advocate-General's opinion, then the bill could be astronomical.

Women who have not received equal pay for equal work stand to gain three-year back pay.

ments to bring their earnings up to male level.

This covers the period from January 1, 1973, when Britain entered the EEC to the end of last year when U.K. national equal pay and sex discrimination legislation took effect. The Irish Government which is already in hot water for not applying an equal pay directive on the specific reason why Article 119 was being interpreted. But as in other cases the opportunity is being seized to enhance the constitutional role of the European Court and prod the member states into implementing their Rome Treaty obligations, a way which has more in common with the U.S. Supreme Court than anything experienced in the U.K.

The Advocate General's opinion was of immediate cheer to a Mme. Gabrielle Deffrenne, a former air hostess with Sabena, the Belgian national airline. Her complaint before the Court of sex discrimination by her former employer, over pay and pension rights was the specific reason why Article 119 was being interpreted. But as in other cases the opportunity is being seized to enhance the constitutional role of the European Court and prod the member states into implementing their Rome Treaty obligations, a way which has more in common with the U.S. Supreme Court than anything experienced in the U.K.

The Advocate General's opinion was of immediate cheer to a Mme. Gabrielle Deffrenne, a former air hostess with Sabena, the Belgian national airline. Her complaint before the Court of sex discrimination by her former employer, over pay and pension rights was the specific reason why Article 119 was being interpreted. But as in other cases the opportunity is being seized to enhance the constitutional role of the European Court and prod the member states into implementing their Rome Treaty obligations, a way which has more in common with the U.S. Supreme Court than anything experienced in the U.K.

## The reasons to differ

BY A. H. HERMANN

INDUSTRY and Governments in the EEC will face a disastrous avalanche of claims for back pay if the European Court should follow the conclusions presented to it yesterday by the Advocate General that the equal pay principle of the EEC Treaty is self-executing.

If upheld that view would mean that the principle must be protected by national courts without awaiting national legislation, and that it overrides any existing national law.

In Britain back claims could be lodged by women demanding equal pay covering the period from January 1, 1973, the date of British accession to the Community, until the end of 1975 when British legislation on equal pay came into effect. It is estimated that £100m. could be involved.

In the original six of the EEC the retroactive effect of the decision would go back to the end of the first stage of the transitional period, that is to January 1, 1962. The upheaval which would result can hardly be imagined.

Besides their economic consequences, the Advocate General's conclusions may cause legal uncertainty in the entire field of equal pay in all those member States which have adopted their own legislation to the same end. Anybody, whether employer or employee, who could hope to get a slightly better result by suing under the EEC law, could ask the courts

to judge the case not under national law but under the broad principles of EEC law.

The proposals were presented to the European Court by Signor Alberto Trabucchi, a man whose opinion the Court has rarely rejected. This may be therefore taken seriously. The Court may, and sometimes does, over-

In the British Government's view, Article 119 is so vague that it cannot be satisfactorily interpreted without the help of national legislation.

rule its Advocate General, whose function can be seen as that of a judge of the first instance. There are good reasons, and not only political ones, why the Court may differ from him in the present case.

First, the entire argument for declaring Article 119 of the Treaty self-executing and actionable in the member States rests on case law established by the European Court in cases concerning free circulation of goods and movement of workers, as well as freedom of establishment in business and of providing cross-border services. In the same way, whether or not the case law could be put into practice by the removal of barriers established by governments. The relationship was always that between

the Governments and citizens.

In the case of Article 119 the relationship involved is between private individuals and companies as employers and employees. The Commission perceived this difference, and in its opinion presented reached the paradoxical conclusion that Article 119 is self-executing in

the case of public sector employees, but not in respect of employees in private industry and business. Incidentally, this view, if adopted, would also cost the British Treasury some £100m.

The second argument against the opinion of the Advocate General is that the Treaty itself describes the rule as a "principle." In previous instances only concrete and precise law has been recognised by the Court as self-executing. This argument is reinforced by the Council directive of February 10, 1975, which calls on the member Governments to give effect to the equal pay principle by national legislation within one year, by February 10, 1976. In its preamble the Directive states: "it is primarily the responsibility

of the member States to ensure the application of this principle by means of appropriate laws, regulations and administrative provisions." The Advocate General's conclusions the Court would also invalidate this Council regulation and it is unlikely to wish to go so far in the pursuit of a proposition, calculated to cause economic and administrative chaos.

In its observations to the Court, the British Government accepted that equal pay is an unconditional requirement of the Treaty, but argued that it is not sufficiently precise and detailed to make direct application possible. It does not define either the basis on which work should be compared or the basis on which remuneration should be calculated, in particular whether special payments, such as during maternity leave, should be taken into account. The view of the British Government Article 119 is so vague that it could not be satisfactorily interpreted by national courts without the help of national legislation.

The British Government also pointed out that should the Court declare the Treaty principle of equal pay directly applicable to relations between private employers and their employees, it would in effect impose new obligations on employers. These new and additional obligations to equal pay would be imposed on employers who had not been aware of the obligation until the Court's decision. The British Government also pointed out that should the Court declare the Treaty principle of equal pay directly applicable to relations between private employers and their employees, it would in effect impose new obligations on employers. These new and additional obligations to equal pay would be imposed on employers who had not been aware of the obligation until the Court's decision.

## NOTICE OF REDEMPTION

To the Holders of

THE INDUSTRIAL BANK OF JAPAN  
FINANCE COMPANY N.V.

9 1/4% Guaranteed Notes Due 1982

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of April 15, 1976 providing for the above Notes, \$1,400,000 principal amount of said Notes bearing the numbers listed below have been selected for redemption on April 15, 1976, through operation of the Sinking Fund, at the redemption price of 100% of the principal amount thereof, together with accrued interest thereon to said date:

## NOTES OF \$1,000 EACH

1	2008	4008	5377	5546	10027	12523	14026	15523	16943	20427	24987	28998	32928	31778	33308
2	2010	4108	5381	5576	10028	12524	14027	15524	16944	20428	24988	28999	32929	31779	33309
3	2011	4109	5382	5577	10029	12525	14028	15525	16945	20429	24989	29000	32930	31780	33310
4	2012	4110	5383	5578	10030	12526	14029	15526	16946	20430	24990	29001	32931	31781	33311
5	2013	4111	5384	5579	10031	12527	14030	15527	16947	20431	24991	29002	32932	31782	33312
6	2014	4112	5385	5580	10032	12528	14031	15528	16948	20432	24992	29003	32933	31783	33313
7	2015	4113	5386	5581	10033	12529	14032	15529	16949	20433	24993	29004	32934	31784	33314
8	2016	4114	5387	5582	10034	12530	14033	15530	16950	20434	24994	29005	32935	31785	33315
9	2017	4115	5388	5583	10035	12531	14034	15531	16951	20435	24995	29006	32936	31786	33316
10	2018	4116	5389	5584	10036	12532	14035	15532	16952	20436	24996	29007	32937	31787	33317
11	2019	4117	5390	5585	10037	12533	14036	15533	16953	20437	24997	29008	32938	31788	33318
12	2020	4118	5391	5586	10038	12534	14037	15534	16954	20438	24998	29009	32939	31789	33319
13	2021	4119	5392	5587	10039	12535	14038	15535	16955	20439	24999	29010	32940	31790	33320
14	2022	4120	5393	5588	10040	12536	14039	15536	16956	20440	25000	29011	32941	31791	33321
15	2023	4121	5394	5589	10041	12537	14040	15537	16957	20441	25001	29012	32942	31792	33322
16	2024	4122	5395	5590	10042	12538	14041	15538	16958	20442	25002	29013	32943	31793	33323
17	2025	4123	5396	5591	10043	12539	14042	15539	16959	20443	25003	29014	32944	31794	33324
18	2026	4124	5397	5592	10044	12540	14043	15540	16960	20444	25004	29015	32945	31795	33325
19	2027	4125	5398	5593	10045	12541	14044	15541	16961	20445	25005	29016	32946	31796	33326
20	2028	4126	5399	5594	10046	12542	14045	15542	16962	20446	25006	29017	32947	31797	33327
21	2029	4127	5400	5595	10047	12543	14046	15543	16963	20447	25007	29018	32948	31798	33328
22	2030	4128	5401	5596	10048	12544	14047	15544	16964	20448	25008	29019	32949	31799	33329
23	2031	4129	5402	5597	10049	12545	14048	15545	16965	20449	25009	29020	32950	31800	33330
24	2032	4130	5403	5598	10050	12546	14049	15546	16966	20450	25010	29021	32951	31801	33331
25	2033	4131	5404	5599	10051	12547	14050	15547	16967	20451	25011	29022	32952	31802	33332
26	2034	4132	5405	5600	10052	12548	14051	15548	16968	20452	25012	29023	32953	31803	33333
27	2035	4133	5406	5601	10053	12549	14052	15549	16969	20453	25013	29024	32954	31804	33334
28	2036	4134	5407	5602	10054	12550	14053	15550	16970	20454	25014	29025	32955	31805	33335
29	2037	4135	5408	5603	10055	12551	14054	15551	16971	20455	25015	29026	32956	31806	33336
30	2038	4136	5409	5604	10056	12552	14055	15552	16972	20456	25016	29027	32957	31807	33337
31	2039	4137	5410	5605	10057	12553	14056	15553	16973	20457	25017	29028	32958	31808	33338
32	2040	4138	5411	5606	10058	12554	14057	15554	16974	20458	25018	29029	32959	31809	33339
33	2041	4139	5412	5607	10059	12555	14058	15555	16975	20459	25019	29030	32960	31810	33340
34	2042	4140	5413	5608	10060	12556	14059	15556	16976	20460	25020	29031	32961	31811	33341
35	2043	4141	5414	5609	10061	12557	14060	15557	16977	20461	25021	29032	32962	31812	33342
36	2044	4142	5415	5610	10062	12558	14061	15558	16978	20462	25022	29033	32963	31813	33343
37	2045	4143	5416	5611	10063	12559	14062	15559	16979	20463	25023	29034	32964	31814	33344
38	2046	4144	5417	5612	10064	12560	14063	15560	16980	20464	25024	29035	32965	31815	33345
39	2047	4145	5418	5613	10065	12561	14064	15561	16981	20465	25025	29036	32966	31816	33346
40	2048	4146	5419	5614	10066	12562	14065	15562	16982	20466	25026	29037	32967	31817	33347
41	2049	4147	5420	5615	10067	12563	14066	15563	16983	20467	25027	29038	32968	31818	33348
42	2050	4148	5421	5616	10068	12564	14067	15564	16984	20468	25028	29039	32969	31819	33349
43	2051	4149	5422	5617	10069	12565	14068	15565	16985	20469	25029	29040	32970	31820	33350
44	2052	4150	5423	5618	10070	12566	14069	15566	16986	20470	25030	29041	32971	31821	33351
45	2053	4151	5424	5619	10071	12567	14070	15567	16987	20471	25031	29042	32972	31822	33352
46	2054	4152	5425	5620	10072	12568	14071	15568	16988	20472	25032	29043	32973	31823	33353
47	2055	4153	5426	5621	10073	12569	14072	15569	16989	20473	25033	29044	32974	31824	33354
48	2056	4154	5427	5622	10074	12570	14073	15570	16990	20474	25034	29045	32975	31825	33355
49	2057	4155	5428	5623	10075	12571	14074	15571	16991	20475	25035	29046	32976	31826	33356
50	2058	4156	5429	5624	10076	12572	14075	15572	16992	20476	25036	29047	32977	31827	33357
51	2059	4157	5430	5625	10077	12573	14076	15573	16993	20477	25037	29048	32978	31828	33358
52	2060	4158	5431	5626	10078	12574	14077	15574	16994	20478	25038	29049	32979	31829	33359
53	2061	4159	5432	5627	10079	12575	14078	15575	16995	20479	25039	29050	32980	31830	33360
54	2062	4160	5433	5628	10080	12576	14079	15576	16996	20480	25040	29051	32981	31831	33361
55	2063	4161	5434	5629	10081	12577	14080	15577	16997	20481	25041	29052	32982	31832	33362
56	2064	4162	5435	5630	10082	12578	14081	15578	16998	20482	25042	29053	32983	31833	33363
57	2065	4163	5436	5631	10083	12579	14082	15579	16999	20483	25043	29054	32984	31834	33364
58	2066	4164	5437	5632	10084	12580	14083	15580	17000	20484	25044	29055	32985	31835	33365
59	2067	4165	5438	5633	10085	12581	14084	15581	17001	20485	25045	29056	32986	31836	33366
60	2068	4166	5439	5634	10086	12582	14085	15582	17002	20486	25046	29057	32987	31837	33367
61	2069	4167	5440	5635	10087	12583	14086	15583	17003	20487	25047	29058	32988	31838	33368
62	2070	4168	5441	5636	10088	12584	14087	15584	17004	20488	25048	29059	32989	31839	33369
63	2071	4169	5442	5637	10089	12585	14088	15585	17005	20489	25049	29060	32990	31840	33370
64	2072	4170	5443	5638	10090	12586	14089	15586	17006	20490	25050	29061	32991	31841	33371
65	2073	4171	5444	5639	10091	12587	14090	15587	17007	20491	25051	29062	32992	31842	33372
66	2074	4172	5445	5640	10092	12588	14091	15588	17008	20492	25052	29063	32993	31843	33373
67	2075	4173	5446	5641	10093	12589	14092	15589	17009	20493	25053	29064	32994	31844	33374
68	2076	4174	5447	5642	10094	12590	14093	15590	17010	20494	25054	29065	32995	31845	33375
69	2077	4175	5448	5643	10095	12591	14094	15591	17011	20495	25055	29066	32996	31846	33376
70	2078	4176	5449	5644	10096	12592	14095	15592	17012	20496	25056	29067	32997	31847	33377
71	2079	4177	5450	5645	10097	12593	14096	15593	17013	20497	25057	29068	32998	31848	33378
72	2080	4178	5451	5646	10098	12594	14097	15594	17014	20498	25058	29069	32999	31849	33379
73	2081	4179	5452	5647	10099	12595	14098	15595	17015	20499	25059	29070	33000	31850	33380
74	2082	4180	5453	5648	10100	12596	14099	15596	17016	20500	25060	29071	33001	31851	33381
75	2083	4181	5454	5649	10101	12597	14100	15597	17017	20501	25061	29072	33002	31852	33382
76	2084	4182	5455	5650	10102	12598	14101	15598	17018	20502	25062	29073	33003	31853	33383
77	2085	4183	5456	5651	10103	12599	14102	15599	17019	20503	25063	29074	33004	31854	33384
78	2086	4184	5457	5652	10104	12600	14103	15600	17020	20504	25064	29075	33005	31855	33385
79	2087	4185	5458	5653	10105	12601	14104	15601	17021	20505	25065	29076	33006	31856	



# Rolls seeks Government aid to launch engine

# Ratepayers' revolt could hit schools'

## Chrysler plant managers in dark' over profits

## Over half London's crime committed on under-21s

## Medicines' drink licensing procedures criticised

# Better prospects for chemicals

stream high added value products, such as plastics, which are dependent on olefins and aromatics is also urged.

**U.K. Chemicals 1975-85, NEDO, Milbank Tower, SW1P 4QX.**

£m. at 1973 prices	1973	1974	1975	1980
Output	4,755	4,988	4,530	6,700
Exports	1,265	1,538	1,337	2,280
Imports	932	1,006	753	1,490
U.K. Demand (Home sales + imports)	4,342	4,456	3,946	5,910

Growth Rates (%p.a.)	1963-73	1973-80	1974-80	1975-80
Output	6.5	5.0	5.0	8.1
Export Sales	10.0	7.4	4.8	11.3
Imports	13.7	4.6	6.8	14.5
U.K. Demand	6.5	4.5	4.8	8.4

It is also thought significant investment opportunities have been lost as a result of higher

# Start with these incentives and give your investment plans a boost



## The Areas for Expansion





## HOME NEWS

## Men's woollen suit imports from east Europe to be cut

BY RHYS DAVID, TEXTILES CORRESPONDENT

IMPORTS of men's woollen suits from eastern Europe are to be cut to 8 per cent. below last year's levels. Mr. Peter Shore, Secretary for Trade, announced yesterday. Restraint on imports of men's suits from eastern Europe is also to be continued and extended to women's shoes.

The restraints on men's suits which have now been negotiated form part of the package of measures announced by Mr. Denis Healey, the Chancellor, before Christmas for helping the textile industry and follow a massive surge in imports over the last two years.

Following the introduction of quota restrictions on predominantly man-made fibre suits, the Comecon countries have stepped up exports to the U.K. of woollen suits and last year the five principal suppliers—Romania, Czechoslovakia, East Germany, Hungary and Poland—sent a total of 350,000 garments to Britain.

Under the new arrangements which the Government has introduced, the five suppliers, instead of doubling sales into the U.K., as is thought originally to have been planned, will now be held down to 350,000 units—a drop of some 8 per cent.

A quota of 210,000 has been set for Romania, the main supplier, 35,000 for Czechoslovakia, and 23,000 for East Germany. Voluntary restraint will be exercised by the other two suppliers, Hungary and Poland and they will together be allowed sales of around 80,000 suits.

The Government's announcement was given a qualified welcome last night by the U.K. menswear manufacturing industry which, with the Yorkshire wool textile industry, has been pressing strongly for controls.

Mr. John Williams, chairman of the Clothing Manufacturers Federation, said the industry would be relieved that imports were being fixed below 1975 levels.

The total He pointed out, however, that the industry remained very concerned at the price levels at which imports from Comecon countries were entering the country, and he said the possibility of submitting an application for anti-dumping duties was still being investigated.

Total imports of men's suits from Comecon countries last year, including woollen and man-made fibre garments, are

put at 732,000, representing around 10 per cent. of the market. In addition, a further 267,000 suits arrived from Yugoslavia.

The action which the Government has now taken has been made on an emergency basis and comes in advance of negotiations which the EEC is due to hold with East European countries within the framework of the GATT Multi-Fibre Arrangement.

The negotiating position to be adopted in these talks, which will put textile trading between the EEC and Eastern Europe on a more permanent footing, are expected to be discussed shortly at a meeting in Brussels of the Council of Permanent Representatives.

The new arrangement on shoe imports, negotiated with Czechoslovakia, Poland and Romania, will result in total despatches of men's leather shoes to the U.K. being held at 1975 levels this year.

Under an agreement reached last year, the three countries reduced their shoe imports into the U.K. by 5-10 per cent.

Women's and children's shoes are also to be held down at 1975 levels.

## Two-tier Bonser Board approved

By Kenneth Gooding, Industrial Correspondent

THE STOCK EXCHANGE has given preliminary approval for Bonser Engineering, the fork lift truck group, formally to switch to a European-style two-tier Board structure.

The move would probably make it the first U.K. public company to use this management system.

There will be a governing Board, including worker directors, elected annually by the shareholders and responsible for determining company policy and monitoring the plans and budgets of the operating subsidiaries.

There will also be an executive Board, appointed by the governing Board, made up of line managers and responsible for the day-to-day operations.

Consultant Bonser's chief executive, Mr. Carl Duerr, said last night that the proposals would formalise changes which had been introduced over the last two years.

This structure clearly defines the responsibilities of individual managers and so you can see if people are performing. It gives the shareholders a chance to fire those people who are not performing well.

Mr. Duerr is the consultant who wrote the book Management Kinetics, which puts forward the idea that good management depends on good communication.

At all levels but particularly between the boss and the work force, he has been the driving force behind the management changes at Bonser.

It was in September, 1974, that Bonser co-opted chairman Mr. Jack Surland, an AEUW member, on to the Board and the latest proposals, to be put to shareholders at a meeting on April 23, leave room for other worker directors to be appointed.

A resolution to remove the present directors will be put at that meeting so that the first governing Board can be set up.

This Board would consist of chairman Mr. Ronald Green-Smith, the two deputy chairmen, Mr. Norman Ashton Rill and Mr. Edwin Trembath, and Mr. Duerr and Mr. Surland.

No director will be able to serve simultaneously on the Board—the executive Board will be appointed by the governing Board, but the shareholders would have the right to remove executive directors at specially convened meetings.

## BY-ELECTION REPORT: THE WIRRAL

## Lively nights after the big sleep



Mr. Michael Gayford, fighting for the third time on the Liberal platform. Will a low-level of support mean farewell to Mr. Jeremy Thorpe?

THE EVENING meeting has been enjoying something of a renaissance in the Wirral. Six of the 13 Liberal MPs attracted sufficient hearers to pack a hall the other night, while Mr. Winston Churchill, Tory MP for Stretford, was packing another a mile away. Indeed, toward the end of the campaign, party workers were wishing belatedly that they had called on the various London headquarters to provide stronger platform attractions when planning their campaign strategies.

This high interest in Westminster people may owe something to the discomforts being suffered by the Liberal Party. But another factor is that the voters of Wirral are awakening from a long political sleep. Mr.

For example, the number of retired people in the area has been rising, and these are feeling the squeeze on their pensions. New housing has in-filled the areas between the old villages, but its occupants are almost wholly dependent on work outside the constituency, and unemployment stands at 11 per cent. throughout Merseyside. Parts of the Wirral have a decided air of running to seed.

So the twin issues of inflation and unemployment have dominated the campaign. And the voters are proving articulate after their long period outside active politics.

Mr. David Hunt, a 33-year-old Liverpool-born solicitor married to a local girl who has had a fortuitous flair for publicity by producing their second child in the last week of the campaign, can expect to be the new Tory member for Wirral, and with a five-figure majority. He is a personable, articulate, and generally excellent candidate.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

Changed times

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

But times have changed for Merseyside and its sunny suburb of Wirral—and not for the better. In the last few years, while Mr. Lloyd has been Speaker of the Commons, and not seriously challenged in successive elections, Wirral has been piling up problems of its own. Now the voters feel like airing them.

## First NEB machine tool loan allows for deferred interest

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE FIRST machine tool stockpiling loan—of £5m.—set up by the National Enterprise Board will allow interest payments to be deferred for up to two years.

The company concerned, widely believed to be Alfred Herbert, the NEB's machine tool subsidiary, will borrow the money for two years and will pay it back earlier if it sells the machines stockpiled before then. The deal will be completed "soon."

At the time the loan is repaid, interest will also be paid on the outstanding interest.

In this way, the Board has managed to offer the machine tool industry an attractive proposition while keeping to its terms of reference, which insist it charges commercial rates for loans.

Since the idea of a machine tool stockpiling scheme was first mooted by the manufacturers last autumn, they have maintained that it could not be financed unless there were provisions for deferred interest payments.

Such a project only made sense to the manufacturers if they could hold off paying back cash until the upturn in trade arrived and machines were sold (the forecasts are for the revival to begin at the end of this year).

The Board says that it will look at any other suggestions which might be put forward by individual companies looking for stockpiling loans.

Mr. Eric Varley, Industry Secretary, made it clear recently that it was up to individual companies to apply to the NEB for loans, but that applications "will be considered on their merits by the NEB in the light of its normal criteria and the form of finance to be provided will depend on the circumstances of particular cases."

While denying previous reports that approaches for loans totaling £20m. have already been made, the NEB says that other companies are preparing applications.

Wadkin, the Leicester-based concern, is certainly in the market for a loan for the machine tool side of its business (it is best-known for woodworking machinery) as is Cincinnati Milacron.

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

The NEB promised to give full details of the first stockpiling loan when it is signed and this should be "soon."

## Hope for flat-screen TV

BY DAVID FISHLICK, SCIENCE EDITOR

THE DEMANDS of the new teletext services, in which it is proposed to present information on a television screen in response to the viewer's request, could force a solution to the problems of a flat-screen colour TV display. Such a display would be tailored to present alpha-numeric characters of high resolution, and to the slow build-up over perhaps one second of still pictures.

Teletext services were one of the trends foreseen by Prof. Merriman for the second century of telecommunications. Another was global telecommunications, making new services available throughout the world.

Already it was possible from two-thirds of the telephones in the U.K. to dial direct to two-thirds of the telephones in the world—some 250m. numbers in 26 different countries.

A third trend he distinguished concerned the computer and the "intelligent terminal," whereby the computer user was persuaded that it was his own intelligence and not the machine's that was really at work.

The greatest external influences on the development of telecommunications, though, would probably be those that stemmed from growth in customers, in traffic levels, in new services.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

There was high correlation world wide between the growth of new customers and indicators of national prosperity. This had been well-researched, documented and displayed and showed a high degree of similarity of experience.

## Far-reaching plan is put forward to spur investment

FAR-REACHING proposals to boost industrial investment through radical measures—including diversion of certain company cash into "blocked investment balances"—have been put forward by Mr. John Hughes, Vice-Principal of Ruskin College, Oxford.

Formation of consortia of institutional investors to give improved assurance of financing for capital needs is also suggested by Mr. Hughes, who is a member of the Government Industrial Development Advisory Board and a prominent adviser to the trade union movement.

In a pamphlet "Funds for Investment," published today by the Fabian Society, which is affiliated to the Labour Party, Mr. Hughes puts his main emphasis on the idea for "blocked investment funds."

Under this, certain company resources deriving from depreciation cash flow and/or pre-tax profits would be channelled into "blocked investment balances," to be released for approved investment purposes. Administration of the scheme, it is suggested, could be linked with pursuit of other Government incentives for investment, such as the investment allowance.

These ideas were quite widely discussed last year after some studies had been made by Mr. Hughes and were briefly referred to in the Trades Union Congress recent 1975 Economic Review. This is the first time, however, that they have been published in full.

The Hughes concepts were also the subject of some discussion last year between Mr. Jack Jones, general secretary of the Transport and General Workers Union, and Mr. Denis Healey, Chancellor of the Exchequer. They are now believed to be under consideration by the new Committee on Finance for Investment of the National Economic Development Council.

Mr. Hughes' underlying thesis is that industry's performance on capital formation has been "unsatisfactory" and that the financial system has failed to generate an appropriate and stable flow of funds to finance it.

On the latter point, his conclusion is at variance with the great majority of City thinking, which is that finance is available under existing arrangements for all worthy capital projects. The view that more needs to be done was, however, voiced last week by Sir Charles Villiers, chairman

of Guinness Mahon, who proposed a scheme for the banks to receive Government support to provide cheap medium-term loans for industry.

"There appears to be a case for seeking to influence the timing and quality of investment decisions by companies, both to encourage a generally higher and more efficient deployment of new capital spending and to counter the cycle of investment," says Mr. Hughes.

Framework Mr. Hughes favours a new system, on the "payment by results" principle, by which major companies would be encouraged to place a proportion of their cash flow in an investment fund. Releases from the fund for the purpose of financing investment "would operate within a framework of supervision by public agencies."

Tax advantages and other benefits "could be used as incentives for appropriate investment of the right timing."

Mr. Hughes said yesterday: "The projections in the Public Expenditure White Paper make more obvious the sheer scale of private investment that is called for. The central case in the White Paper envisages a 50 per cent. increase in private investment between 1974 and 1979-80."

In the light of the fall in capital investment over the past two years, he added: "That means we have almost to double the scale of private investment in the next three years to meet this central case."

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

Funds for Investment, by John Hughes, Fabian Research Series 325, 50p.

## Premium rise for 1m. motorists

MORE THAN 1m. motorists insured with the Guardian Royal Exchange Group face higher premiums from April 1.

The company is raising its private motor rates by an average 7 per cent. and for commercial vehicle rates by 24 per cent.

Uncompetitive Factory development and industrial investment in Britain cannot compete with the costs and delivery schedules of other countries, according to a report from Slough Estates, one of the largest industrial estate developers.

Rent picket Private landlords in Nottingham said yesterday that they may picket the homes of the city's rent officers if the officers' interpretations of what is "fair" under the Rent Acts are not revised upwards.

Torture charge The Irish Government has referred its allegations of British "torture" of IRA detainees in "Ulster" to the European Court of Human Rights in Strasbourg. Its sudden decision surprised British officials and comes only a month after both Governments received the report of the European Human Rights Commission on the case.

Graduate jobless More graduates will be chasing fewer jobs in the North-East this year. A report published yesterday by the Durham University careers advisory service says the number seeking work will rise about 5 per cent., but job opportunities are likely to drop by about 10 per cent.

## Engineering group closes third offshoot

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

ENGINEERING GROUP F. H. Lloyd-Holdings has told the 132 employees of its offshoot Lloyds (Old Park) at Tipton, Staffordshire, that the subsidiary will close when existing orders are completed.

This is the third subsidiary which the group has decided to shut down in three months.

In January it announced that Lloyds (Darlington), a steel foundry operation, and E. C. and J. Neay, structural engineers at Darlington, West Midlands, were to be closed within four months.

The 230 employees were told they would be given priority as vacancies arose elsewhere in the group.

The same assurance has been given to the Lloyds (Old Park) employees, but last night secretary Mr. Ivor Ward admitted that the prospects were not all that good because of the specialist skills involved, even though the group has six other companies within travelling distance of the Old Park plant.

Mr. Ward said F. H. Lloyd— which has forecast pre-tax profits for the year to April 3 down slightly from £4.2m. to £3.8m.—has been forced to reshape itself because of the general decline in its orders for engineering products.

Last year an attempt was made to preserve the Old Park operation by introducing production "Stocks" to application of the language of the other business of heavy advertisements led him to con-fabulations (of up to 50 tons), clude that they were an infringement but demand simply dried up ment of the regulations.

Three Stork commercials ruled illegal

By Antony Thorncroft

THREE television commercials for Stork, SB margarine were ruled illegal in the High Court yesterday.

Mr. Justice Whitford said the commercials infringed the 1967 Margarine Regulations, which prohibit references to butter in margarine advertisements.

The manufacturers, Van Den Berghs, a Unilever subsidiary, had sued the Independent Broadcasting Authority, which banned them after a protest from the Butter Information Council.

The judge agreed that "Van Den Berghs are right when they say that their past, present, and proposed advertising is not likely to lead people into thinking that Stork is better," but the strict of heavy parts for accretors to application of the language of the other business of heavy advertisements led him to con-fabulations (of up to 50 tons), clude that they were an infringement but demand simply dried up ment of the regulations.

The judge agreed that "Van Den Berghs are right when they say that their past, present, and proposed advertising is not likely to lead people into thinking that Stork is better," but the strict of heavy parts for accretors to application of the language of the other business of heavy advertisements led him to con-fabulations (of up to 50 tons), clude that they were an infringement but demand simply dried up ment of the regulations.

The judge agreed that "Van Den Berghs are right when they say that their past, present, and proposed advertising is not likely to lead people into thinking that Stork is better," but the strict of heavy parts for accretors to application of the language of the other business of heavy advertisements led him to con-fabulations (of up to 50 tons), clude that they were an infringement but demand simply dried up ment of the regulations.

The judge agreed that "Van Den Berghs are right when they say that their past, present, and proposed advertising is not likely to lead people into thinking that Stork is better," but the strict of heavy parts for accretors to application of the language of the other business of heavy advertisements led him to con-fabulations (of up to 50 tons), clude that they were an infringement but demand simply dried up ment of the regulations.

PEUGEOT  
The better built, more reliable car.

Peugeot Automobiles (UK) Limited, Peugeot House, 333 Western Avenue, London W3 0RS. Tel. 01-993 2333 Telex 954 713.

مكتبة النجف





## The hidden power behind Britain's industry.

NSF stands for National Smokeless Fuels. If you haven't heard of us we won't be particularly surprised. However, you may be surprised to discover you may well have bought one of our products. Behind the scenes we're important not just to industry, but to the millions of people who use solid fuel for heating their homes.

National Smokeless Fuels Ltd. is a wholly-owned subsidiary of the National Coal Board. Brands like Homefire, Sunbrite and Phurnacite for solid fuel home heating are manufactured by us. So is most of the foundry coke used by industry.

If you find it hard to believe that a company that makes a product called foundry

coke could be the hidden power behind Britain's industry, consider for a moment.

Can you think of an industry that isn't in some way or other dependent on cast iron? Then remember that 90% of the cast iron produced in Britain is produced in foundries that obtain their energy from foundry coke.

Cast iron is part of everyone's daily life. For the major parts of our motor cars, our trains, for our buildings, our street-lamps, even for the baths in our homes. We'd all miss a lot without foundry coke to provide the energy to keep Britain's iron foundries at work.

For the foundry operator, foundry coke means a saving on capital and installation costs, on fuel costs and on raw material costs.

It also represents a safe form of energy. Because the foundry operator can build reserves and because Britain has enough coal for foundry coke making to last far into the future.

Britain's foundry industry is still almost totally dependent on foundry coke as a fuel source. Britain's foundry industry is of crucial importance to every other industry in the country. So is it surprising that we say we are the hidden power behind Britain's industry?

For information on any melting problem or future planning decision, contact our Foundry Metallurgist, Mr. J. D. Hill, National Smokeless Fuels Ltd., Coal House, Lyon Road, Harrow, Middlesex HA1 2EX. (Telephone: 01-427 9001).

### National Smokeless Fuels Ltd.

The Hidden Power Behind Britain's Industry.







# WOULD BRITISH INDUSTRY BE HEALTHIER TAKING MONEY OUT OF THE BANK, NOT PUTTING IT IN?

The TUC and CBI seem to think so.

Repeatedly they've issued warnings about under-investment.

Their fear is that when the recovery of world trade that we've been hoping and praying for arrives, Britain will be in no shape to take advantage of it.

The Bank of England's of the same opinion. And in its circular last year it asked banks to:

"...direct advances towards the expansion of exports, the saving of imports and industrial investments."

This doesn't mean that we at Barclays are going to hand out money to everyone who comes knocking on our door.

The country won't get anywhere by throwing good money after bad.

We must pin our hopes and hard cash on successful but under-invested firms.

We must put them in a position where they can win home markets; sell against other countries on world markets; compete with the French, Germans and Americans for overseas contracts.

Understandably, before parting with large sums of money, we'll need to ask a few questions of even the most successful firms.

We'll want to talk about your plans for the future, as well as getting a feel of the way you do business.

If you've been making full use of our banking services, we'll already have a good idea of your cash and tax position. All of which will pinpoint the kind of backing you need.

For instance, a Medium Term Loan for capital investment can be drawn in different ways.

Whereas one company would prefer it as a lump sum, another would rather draw it in instalments.

(By the way, despite the name, a Medium Term Loan can last as long as 10 years.)

For a third company, the bank's leasing facilities may be more attractive than a loan. Working capital is released and there are often tax advantages.

With all these schemes the terms of repayment can be constant, or vary season to season, year to year to suit your cash flow.

Sometimes payments can be suspended until you are benefiting fully from the investment. And in certain cases, you can repay the entire loan at the end of the period.

If you sell abroad, we can be of still more help.

To encourage foreign customers to place orders with you, we will always consider providing them with suitable finance through Barclays Bank International. It's a useful way to expand established markets quite apart from opening up new ones.

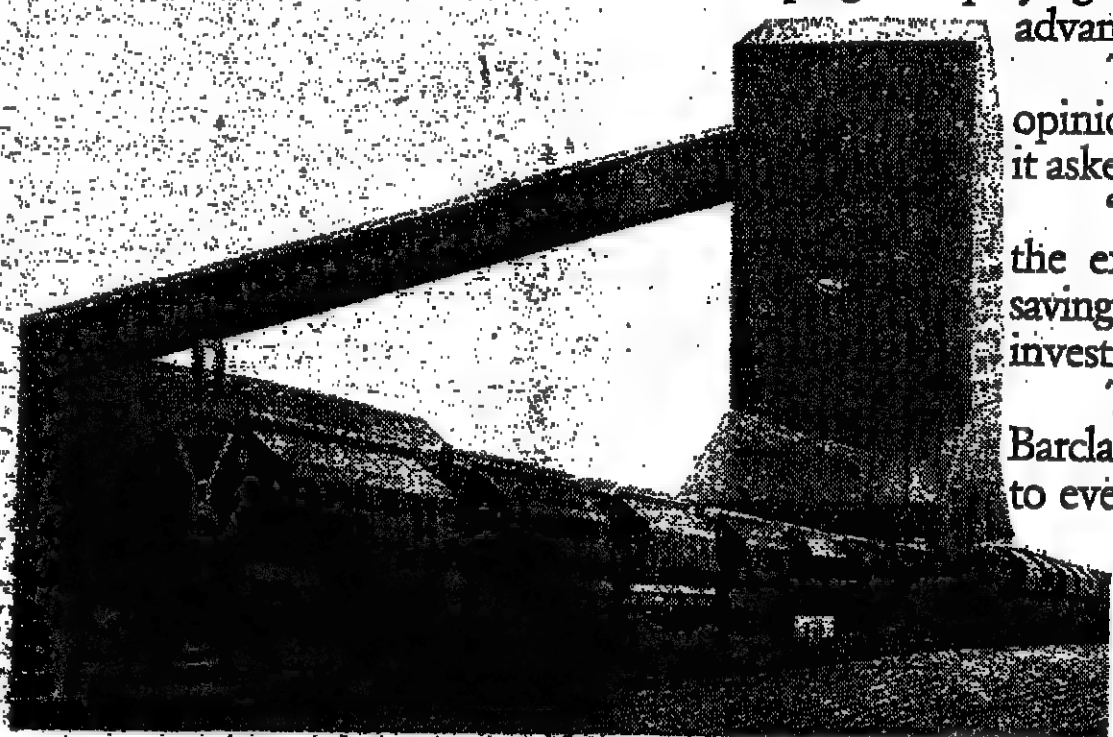
Having done that, we can often protect you against exchange rate fluctuations by selling foreign currency for you in advance.

We provide this protection for companies that buy abroad as well. Whether they import finished goods or raw materials.

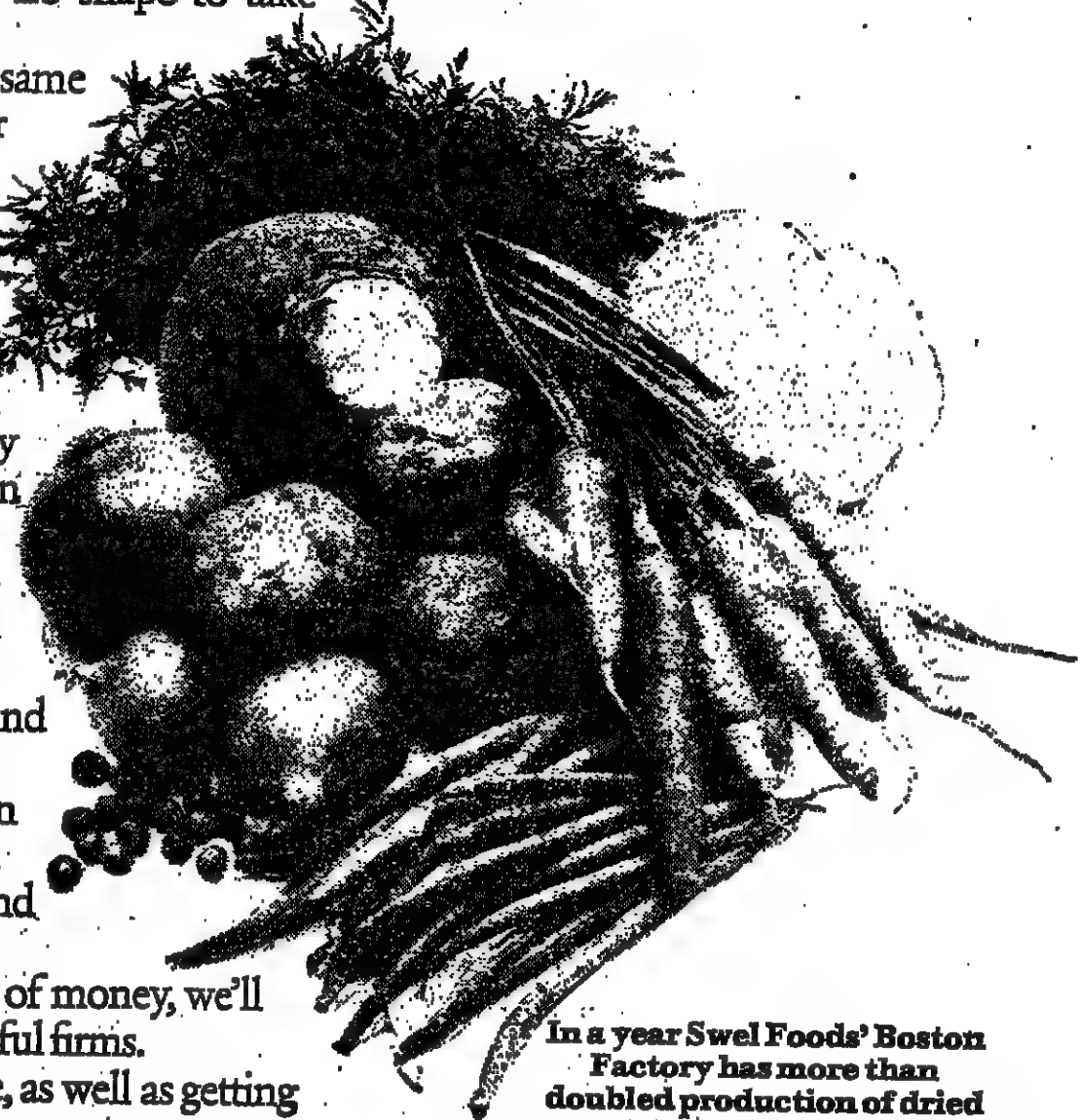
But no matter what backing or help is needed, the first step is always the same.

Arrange a meeting with your local Barclays Bank Manager. He knows there's truth in the old adage; it takes money to make money.

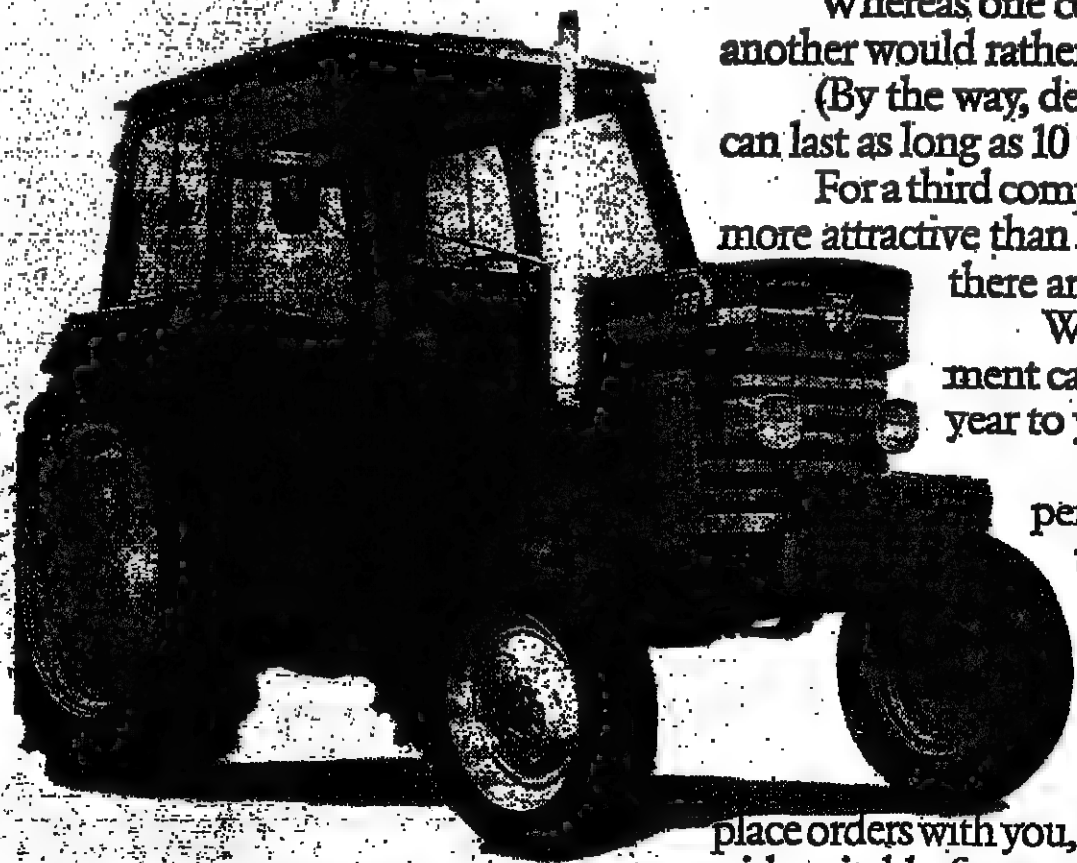
**BARCLAYS**



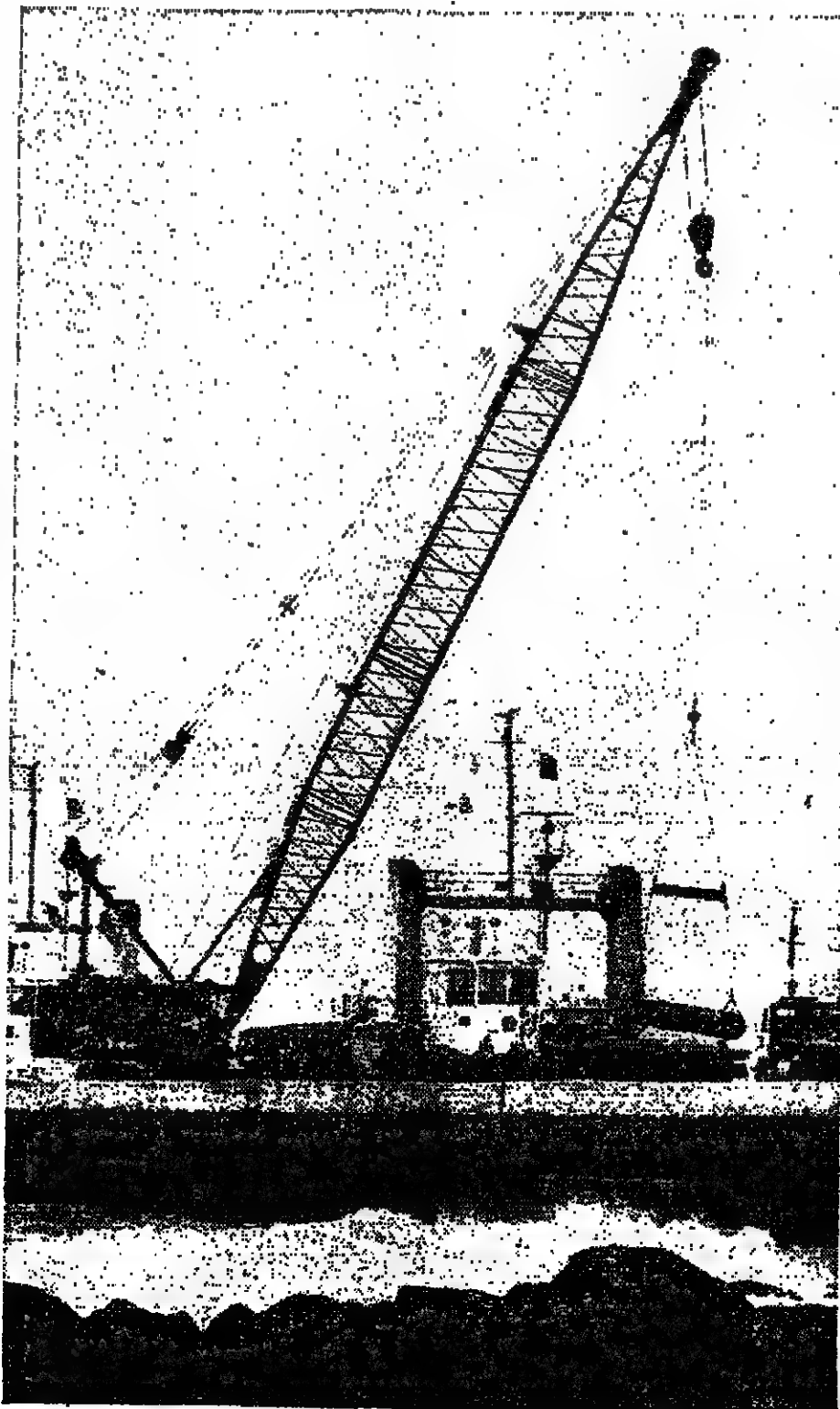
An £18 million Medium Term Loan to Cleveland Potash will help turn Britain into a net exporter of potash.



In a year Swel Foods' Boston Factory has more than doubled production of dried vegetables by taking a £150,000 Medium Term Loan over 5 years for a new drier.



Massey Ferguson Perkins Ltd. has gained a £170 million contract. The Polish buyer was helped by Barclays with sterling and currency syndicated loans, repayable over several years.



B.O.C. International is leasing a new £220,000 crane for 7 years through Barclays Bank. Oil pipe and heavy goods handling efficiency has increased by 30%.



## Worker participation call

BY JOHN ELLIOTT, MANAGEMENT EDITOR

PROPOSALS for companies to negotiate "participation agreements" with their employees and for the Government to introduce legislation backing this up were launched yesterday by the CBI in its written evidence to the Government's Bullock Inquiry on industrial democracy in the private sector.

The CBI, which also comes down against any widespread introduction of worker directors and opposes the TUC's trade union-based proposals for industrial democracy, suggests that the legislation should initially apply to the biggest 700 U.K. companies employing more than 2,000 workers.

### Changes

In addition the proposals, which were unanimously approved by the CBI's grand council last month, include voluntary arrangements for small companies to set up participation councils.

Behind the new policy lies a belief in the CBI that "the facts of Britain's economic situation are such as to suggest that widespread changes are needed in British industry, and that these changes could be considerably assisted by an improvement in relationships between employers and employees through greater employee participation."

The basic CBI objective is to achieve an improvement in "industrial efficiency" and to enable employees and trade unions to become "positively and constructively involved in the processes leading to decision making in enterprises."

The CBI describes employee participation as "a means of achieving a more competitive, more efficient British industry through improved employer-

employee relationships, by ensuring that decision making in industry is, wherever practicable, with the acceptance of the employees involved."

A primary objective of industry should be "the creation of wealth for the benefit of employees and of the community as a whole," it adds.

The CBI then lays down four supporting objectives:

"To promote understanding by all employees that their contribution to the enterprise results in the creation of wealth for the community at large, and thus to higher living standards and job security for all.

"To promote involvement of the employee in the content and purpose of his job and understanding of the contribution that job makes to company objectives and its relation to and dependence on other jobs within the organisation.

"To ensure that all employees are aware of the reasons for the major decisions which affect them and of the factors taken into account by management in arriving at these decisions; and to ensure that management is aware of the views of all employees before taking such decisions.

"To ensure that all employees are aware of the business situation of the enterprise they work for and that they know the nature and extent of the constraints within which it operates.

"To inform all employees of the enterprise's forward operating objectives and to provide for discussion of these objectives.

"These objectives are designed to be general in application and to allow employers and employees to proceed, by joint agreement, to design and operate

structures and institutions to bring about their achievement," declares the CBI.

"The development of greater participation must build upon existing experience and arrangements; the fundamental requirement is to involve all employees in company affairs at the operating levels at which most decisions affecting their interests are made.

"Given this firm base, it may then be appropriate, again by joint agreement, to provide for access to the level of corporate decision making to deal with specific matters outside the operating sphere."

### Criteria

The CBI proposes that the 700 large companies should be given four years to prepare their agreements and add that they should only be introduced after a secret ballot of all the employees involved. Where more than one trade union is involved, there would have to be inter-union co-operation and the agreement would be imposed by statutory arbitration if it was not voluntarily settled, would last for three years.

Criteria limiting the participation agreements have been drawn up by the CBI covering these points. They criteria also state that "the arrangements agreed must not interfere with the executive function of management and must recognise that management has the ultimate legal responsibility for discharging its third party obligations."

The CBI also says that the proposals apply only to the U.K. operations of companies registered in the U.K. and not to those with overseas parents, nor to overseas subsidiaries.

## LABOUR NEWS

### NUJ closed shop 'could lead to wildcat stoppages'

BY MICHAEL THOMPSON-NOEL

THE ADVENT of a National Union of Journalists closed shop throughout the newspaper industry could lead to random "wildcat stoppages"—perhaps politically motivated—the Royal Commission on the Press was told yesterday.

Mr. George Withy, an assistant editor of the Liverpool Echo and a member of a delegation from the Institute of Journalists giving evidence, said that the possible introduction of NUJ closed shops in the wake of the Government's Trades and Labour Relations (Amendment) Bill could do immense harm.

Mr. Withy said that his fear was of an NUJ motivated not by industrial but by political motives.

The continued existence of the Institute of Journalists had been one of the strands in the freedom of the Press controversy. The IJ had 2,500 members compared with the NUJ's 29,400.

The institute's attitude towards industrial relations was based on three inextinguishable factors: service to the reader, the well-being of the industry, and the well-being of institute members.

The NUJ took a radically different view. It saw industrial stoppages as perfectly in character with its general objectives.

Mr. Bob Farmer, the institute's general secretary, said that a possible result of a universal closed shop in newspaper publishing would be that a single union felt it had the power to issue "licences to write." An

editor's wish to employ the contributors he chose or to publish certain views might not be sustainable in the face of a closed shop.

Mr. Alastair Hetherington, former editor of The Guardian, told the commission that he believed the Government's proposed voluntary Press charter would be useful and that it would work.

It was important to have a charter that could be quoted in legal proceedings if necessary. Mr. Peter Preston, The Guardian's present editor, said that the chances of a successful charter being negotiated between management and unions had been viewed with undue pessimism.

### Steelmen urged to end strike

PRODUCTION at the British Steel Corporation's Ravenscroft works in Scotland should return to normal shortly, after a recommendation by the works council yesterday that 3,500 strikers there should return to work.

The 130 men in the slab preparation bay—in whose support the 3,500 walked out on Monday—will remain on strike while their grievance is discussed by the management and officials of their union, the Iron and Steel Trades Confederation.

The three-day mass strike last week cost the corporation about ten tons of production.

### NUJ supported by Foot in Press freedom row

BY OUR LABOUR STAFF

MR MICHAEL FOOT, Secretary for Employment, yesterday rejected Conservative allegations that the controversial action by the Barnsley branch of the National Union of Journalists against non-union members was a deliberate attack on Press freedom.

Mr. Foot reiterated, in a letter to Mr. James Prior, Conservative spokesman on employment, his long-standing support from which has formally endorsed the Barnsley action, as well as other union branches, "will reconsider the issues."

He was replying to a letter from Mr. Prior over the weekend in which he was asked whether he intended to take any action on the "disgraceful attack on the freedom of the Press" by the Barnsley NUJ branch.

The branch wrote to local Labour Party and trade union organisations pointing out that four journalists employed by the Barnsley Chronicle were members of the Institute of Journalists.

lists, which is not affiliated to the TUC, and asked that this should be borne in mind in dealing with the situation.

There was "nothing novel or sinister" about the action of the Barnsley branch, which was following normal industrial practice in seeking support from sympathetic but independent organisations on the question of union members.

The situation had in no way been brought about by the Labour Government's industrial relations legislation, "nor would it have been prevented or curbed by your industrial relations Act."

No question of the use of monopoly powers to deny access to the Press to outside contributors, such as might warrant Parliamentary intervention, arises. There is no closed shop in the Barnsley newspaper office," Mr. Foot said.



Mr. Michael Foot hopes for reconciliation

### Luton car workers threaten strike over sacked steward

BY OUR LUTON CORRESPONDENT

WORKERS at Vauxhall Motors' Luton plant yesterday voted to strike over the sacking of a militant shop steward. They gave management until tomorrow to give 29-year-old Joe McGonigle his job back before walking out.

Afterwards the man at the centre of the storm said: "It is the law of the jungle. Dog eats dog. I don't blame Vauxhall. They think I am a troublemaker. This is the first opportunity they have had to oust me. And they are trying to get rid of me because I am a good shop steward. I have got a lot of friends and a lot of enemies too. I thought they might vote to strike straight away."

Mr. McGonigle, who has worked for Vauxhall for ten years, was sacked yesterday. His dismissal came "for Mr. Fred Matthews, a receptionist in the service area where they both work, claimed he had been assaulted."

The alleged incident took place outside the works during dinner hour last Friday. Mr. McGonigle was taken to Luton police station, held for seven hours and charged with causing actual bodily harm. He was bailed to appear in court on April 9.

Transport and General Workers' Union convenor, Mr. Peter Ashworth, said: "We are complaining about the arrogant and Victorian attitude of the management."

Vauxhall told the union that Mr. McGonigle had been dismissed because of a serious case of misconduct.

"We have no comment to make about the allegations that he was dismissed because of union activities."

Further talks on warehousemen at a S. bananas importers have been given to dockers will be held in the auspices of the Conciliation, and Service.

Yesterday, Gen. In. Bury, told the and General Workers which represents both the warehousemen and warehousemen would made redundant in date future but alter would not be available.

Employing the es workers was costing it about £1,500 a week.

To-day the TGWU o be told that the seven men were losing up to because their jobs given to registered do company hopes that housemen will be a potary registration workers to enable them to their normal work.

The situation at G. tries has arisen from the the National Dock Scheme which the G. is hoping to extend by a Bill now before Par.

There were sugges night that senior Mfu concerned that the s the port would provi for opponents of the l Opposition to the came yesterday from t Chamber of Commer suggested 14 amendments Bill to clarify its power considered "vague and

Employing the es workers was costing it about £1,500 a week.

To-day the TGWU o be told that the seven men were losing up to because their jobs given to registered do company hopes that housemen will be a potary registration workers to enable them to their normal work.

The situation at G. tries has arisen from the the National Dock Scheme which the G. is hoping to extend by a Bill now before Par.

There were sugges night that senior Mfu concerned that the s the port would provi for opponents of the l Opposition to the came yesterday from t Chamber of Commer suggested 14 amendments Bill to clarify its power considered "vague and

Employing the es workers was costing it about £1,500 a week.

To-day the TGWU o be told that the seven men were losing up to because their jobs given to registered do company hopes that housemen will be a potary registration workers to enable them to their normal work.

The situation at G. tries has arisen from the the National Dock Scheme which the G. is hoping to extend by a Bill now before Par.

There were sugges night that senior Mfu concerned that the s the port would provi for opponents of the l Opposition to the came yesterday from t Chamber of Commer suggested 14 amendments Bill to clarify its power considered "vague and

Employing the es workers was costing it about £1,500 a week.

To-day the TGWU o be told that the seven men were losing up to because their jobs given to registered do company hopes that housemen will be a potary registration workers to enable them to their normal work.

The situation at G. tries has arisen from the the National Dock Scheme which the G. is hoping to extend by a Bill now before Par.

There were sugges night that senior Mfu concerned that the s the port would provi for opponents of the l Opposition to the came yesterday from t Chamber of Commer suggested 14 amendments Bill to clarify its power considered "vague and

Employing the es workers was costing it about £1,500 a week.

To-day the TGWU o be told that the seven men were losing up to because their jobs given to registered do company hopes that housemen will be a potary registration workers to enable them to their normal work.

The situation at G. tries has arisen from the the National Dock Scheme which the G. is hoping to extend by a Bill now before Par.

There were sugges night that senior Mfu concerned that the s the port would provi for opponents of the l Opposition to the came yesterday from t Chamber of Commer suggested 14 amendments Bill to clarify its power considered "vague and

Employing the es workers was costing it about £1,500 a week.

To-day the TGWU o be told that the seven men were losing up to because their jobs given to registered do company hopes that housemen will be a potary registration workers to enable them to their normal work.

# YOU'VE HEARD THE FACTS ABOUT THE BIGGEST BANK MERGER IN U.S. HISTORY.

On January 1st of this year, ten regional banks merged into one big, new bank: The Marine Midland Bank.

As of that date, the words "Marine Midland" began standing for more.

For instance: now our total Capital and Reserve for loan losses

are more than \$600-million. Our total deposits are \$9.6-billion, more than \$2-billion of which is personal savings deposits.

Now "Marine Midland" means more than 300 branches, 30 overseas offices and 20 associated financial institutions.

The new Marine Midland Bank.

It's big. With assets of more than \$11-billion. And, of course, the services and capabilities you'd expect from one of the 12 largest banks in the United States.

Review all the facts and the figures behind them. You'll find they add up to the kind of bank you'd like to do business with.

## NOW HERE ARE THE FIGURES.

Consolidated Statement of Condition—January 1, 1976 (In thousands of dollars)			
ASSETS		LIABILITIES	
Cash and due from banks	\$ 1,357,108	Demand deposits	\$ 3,045,012
Interest bearing deposits with banks	1,337,475	Personal savings	2,018,451
Trading account securities	17,193	Other time deposits	1,840,986
		Deposits in foreign offices	2,669,282
U.S. Government and Federal Agency obligations	736,042	Total deposits	9,573,733
State and municipal obligations	590,267		
Other securities	146,417	Federal funds purchased and securities sold	
Total investment securities	1,472,726	under repurchase agreements	384,829
Loans and mortgages, less unearned income	6,273,762	Other funds borrowed	76,466
Less—reserve for loan losses	99,484	Interest, taxes and other liabilities	193,873
Loans and mortgages, net	6,174,278	Acceptances outstanding	197,871
		Debentures, notes and mortgages payable	35,435
Federal funds sold and securities purchased		TOTAL LIABILITIES	10,462,207
under resale agreements	64,942		
Direct lease financing, less unearned income		CAPITAL	540,740
and reserve for losses	65,680		
Premises and equipment	103,072		
Customers' acceptance liability	193,713		
Interest receivable, deferred charges and			
other assets	216,760		
TOTAL ASSETS	\$11,002,947	TOTAL LIABILITIES AND CAPITAL	\$11,002,947

On January 1, 1976, securities and other assets carried at \$926,187,000 are pledged to secure public deposits and for other purposes, including securities sold under agreements to repurchase.

### HERE'S WHERE TO FIND US.

**IN NEW YORK STATE**  
Main Offices in  
New York—140 Broadway, 10015  
Buffalo—One Marine Midland  
Center, 14240  
34 other banking offices  
throughout New York State

**WORLDWIDE**  
**EUROPE AND THE**  
**MID-EAST**  
Branch Banking Offices in  
London and Paris  
A Merchant Bank in London  
Other offices in Beirut, Brussels,  
Frankfurt, Madrid, Rome, and  
Tehran

**ASIA**  
Branch Banking Offices in  
Singapore and Tokyo  
Other offices in Hong Kong,  
Jakarta, Manila, Seoul, and  
Sydney

**THE AMERICAS**  
Branch Banking Offices in  
Panama City and Nassau  
Other offices in Bogota, Buenos  
Aires, Caracas, Mexico City,  
Panama City, Rio de Janeiro,  
Sao Paulo, and Toronto

**ASSOCIATED FINANCIAL**  
**INSTITUTIONS**  
In Australia, Canada,  
Cayman Islands, Colombia,  
Costa Rica, France,  
Ireland, Italy, Japan, Lebanon,  
Malaysia, New Zealand, Panama,  
Philippines, Turkey, and  
Venezuela

## MARINE MIDLAND BANK







## Seize this devolution bargain, says Short

By Peter Hennessy, Lobby Correspondent

MR. EDWARD SHORT, Lord President of the Council, yesterday described the Government's devolution proposals as "a bargain which Scotland should seize with both hands."

He told a student society meeting at Aberdeen University: "It gives you the best of both worlds. You keep the advantages of membership of the United Kingdom but you also gain the right to allocate resources and make decisions over your own domestic affairs."

Mr. Short admitted that very few people in Scotland understood the benefits contained in the Government's plans partly because of their complexity and partly because the devolution debate had been "algebraised" by those devoted to maintaining the status quo and those who sought separatism.

The views of both the Scottish National Party and the breakaway Scottish Labour Party were compatible only with complete independence, he continued. Separatism would leave England, Scotland and Wales poorer and relegate the inhabitants of the United Kingdom from belonging to a medium size power to membership of the third divisions of nations with little influence in the world.

Federalism, Mr. Short added, was not acceptable as a "half-way house" as such an arrangement would be utterly dominated by England, particularly the South-East. The SNP, he claimed, was showing signs of fright now that opinion polls had shown the vast majority of Scots did not want separatism.

## New peers

TWO FORMER Conservative Cabinet Ministers, Lord Selwyn-Lloyd, who retired last month as Speaker of the House of Commons, and Lord Carr of Hadley, Home Secretary from 1972-74, were introduced in the Lords yesterday.

## U.K. ECONOMIC INDICATORS

	Unit	1976			1975		
		Feb.	Jan.	Dec.	Feb.	Jan.	Dec.
General Unemployed	'000s	1,304.4	1,330.3	1,311.4	757.1	742.0	742.0
Unfilled vacancies	'000s	99.4	88.8	103.1	180.6	n.m.	n.m.
Currency reserves	\$bn.	7,024	6,786	6,429	7,064	6,853	6,853
Bank advances	\$bn.	14,317	14,488	13,721	13,721	n.m.	n.m.
Basic materials	1970=100	268	269.9	259	218.5	222.1	222.1
Manuf. prod. d	1970=100	266.9	264.9	261.5	175.9	173.0	173.0

	Unit	1976			1975		
		Dec.	Nov.	Oct.	Dec.	Nov.	Oct.
Indust. output**	1970=100	106.6	101.5	101.5	102.8	106.6	106.6

	Unit	1976			1975		
		Feb.	Jan.	Dec.	Feb.	Jan.	Dec.
Trade and Industry	'000s	123	98	815	121	126	126
Cars*	'000s	26.3	27.3	26.8	36	37.3	37.3
Comm. vehicles*	'000s	1976	1975	1974			

	Unit	1976			1975		
		Jan.	Dec.	Jan.	Jan.	Dec.	Dec.
Imports f.o.b.	\$bn.	1,964	1,966	1,831	1,856	1,745	1,745
Exports f.o.b.	\$bn.	1,783	1,767	1,563	1,571	1,386	1,386
Visible trade balance	\$bn.	-0.179	-0.199	-0.267	-0.285	-0.359	-0.359
Steel (weekly average)	'000 tonnes	392	310	383	455.2	402	402
TV sets††	'000s	177	217	211	226	296	296
Radio-grammets††	'000s	442	185	363.5	405	266	266

	Unit	1976			1975		
		Dec.	Nov.	Dec.	Dec.	Dec.	Dec.
Man-made fibres*	m. kgs.	46.2	49.13	46.85	37.74	52.3	52.3
Houses completed†	'000s	28	25.1	26	24.3	22.4	22.4
Bricks*	millions	357	439	415	336	464	464
Cement (weekly average)	'000 tonnes	238	339	324	235	241	241
Furniture††	1970=100	149	161	155	124	137.7	137.7
Petroleum††	m tonnes	7.56	6.88	6.89	8.22	7.61	7.61
Hosiery*	1970=100	79	93	94	83	94.3	94.3
Elec. cookers†	'000s	63.7	91.8	78.8	75	72	72
Washing machs.	'000s	49.5	49.2	77.3	55.7	68.9	68.9

	Unit	1976			1975		
		Nov.	Oct.	Nov.	Nov.	Jan.	Nov.
Enginrg. (orders on hand)**	1970=100	100	103	112.2	131	135	135

	Unit	1976			1975		
		Oct.	Sept.	Oct.	Oct.	Oct.	Oct.
Raw cotton (weekly av.)	'000 metric tonnes	2.65	1.72	2.3	2.32	2.27	2.27
Raw wools	m. kilos	9.7	9.3	8.2	8.6	9.7	9.7
Machine tools†	\$m.	26.9	27.3	24.7	26.7	19.5	19.5

Consumer spending: 1970 values

Motor trade turnover: 1972=100

Bldg. and civil engineering: £bn.

Production: \* Deliveries. † Not sales. ‡ Consumption. \*\* Seasonally adjusted. †† All manufacturing industries. ‡ Excluding car radios. ‡† Deliveries, U.K. made and imported sets. ‡ From May, 1975, onwards new basis of calculation refers to advances to U.K. public and private sector. Historical figures on new basis not available. ‡ Prices, † Including cooker griller toasters. ‡ Value of output. ‡ United Kingdom not seasonally adjusted. ‡ First preliminary estimate.

## Tories chant 'Out' as Government motion falls

# Defeat by 28 on spending policy

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

JUBILANT CHEERS from packed Tory benches and a forest of waving Order Papers announced last night's Government defeat in the Commons even before the tellers confirmed the 28 majority (284-258) against the Government's economic policy.

"Out, out!" Opposition MPs shouted at the light-tipped Ministers, as Mrs. Margaret Thatcher rose to ask what were the Government's intentions.

The Speaker, Mr. George Thomas, had to call for order as the bedlam mounted, with loud demands for the presence of Mr. Harold Wilson, who had not attended the later stages of the debate.

The Government has been decisively defeated on a matter essential to its whole economic policy, Mrs. Thatcher said. "Such a defeat is unprecedented in modern times. In the light of the decision of the House of Commons, I call upon the Government to resign."

The alternative to resignation, said Mrs. Thatcher, was to seek a vote of confidence on the issue forthwith.

Again the Speaker had to call for order above the cheers of the Tories.

Mr. Edward Short, Leader of the House, said the Prime Minister would consider the situation created by the vote and announce his intentions "in due course."

This grim refusal to evince any urgency roused further pandemonium, with renewed calls from the Tories for the Prime Minister to be summoned to the House forthwith.

From the Liberal benches, Mr. Jeremy Thorpe said this was a vote for the economic strategy of the Government. As the House had not endorsed the alternative strategy of the official Opposition, the country now had no economic strategy at all.

Mr. Thorpe and some of the Tories stressed the need for removing uncertainty at a time of financial difficulty for the U.K. in world markets.

Mr. Short was drawn to appease these demands by amending his reaction to a promise that a statement would be made today.

Mr. Denis Healey, the Chancellor, looked on grimly, his arms folded, as the row continued unabated for nearly an hour. Government's lost motion had called for approval of the

policy to ensure that manufacturing industry could take full advantage of the upturn in trade.

But this form of words had not been sufficient to prevent the Tribune Group from whole-sale abstention over the document on which the policy was based—the White Paper requiring £3bn. in public expenditure cuts by 1979.

The Tory amendment declining to approve the White Paper—an amendment which received no approval from the Labour backbenchers—was defeated by a Government majority of 90 (304-214).

But this did not lessen the Government's humiliation. The anger of Ministers over the defeat was indicated when Mr. Short, returning from recording his vote in the division lobby, made an angry gesture of rejection at the ranks of Labour backbenchers, sitting in stony-faced abstention from support of the Government.

The result of the division made almost irrelevant the debate in which the Government had stressed its intention to encourage investment, with Ministers firmly defending the Chancellor's proposals for ensuring economic growth.

Mr. Joel Barnett, Chief Secretary to the Treasury, said that the Government was determined the resources should be available for investment and the growth Ministers were seeking should be exported rather than consumed.

Discounting the prospects of an economic miracle, Mr. Barnett nevertheless saw reasons for optimism. The Government could learn from the past and everything possible would be done to avoid the kind of bottlenecks which had afflicted previous Governments when they had gone for growth, he said.

He accused the Tories—who wanted deeper cuts in public spending—of pessimism, and the Left-wingers—who wanted fewer cuts—of living in cloud cuckoo land.

Sir Keith Joseph, Mrs.

Barber picked out in particular, as among those who had been unwilling to agree to cuts was Sir Keith Joseph—at that time Secretary for Social Services.

There were many occasions, said Lord Barber, when he failed to persuade his Cabinet colleagues, including Sir Keith, to moderate the growth of public expenditure.

Lord Barber said: "I should add that I applaud Sir Keith's present approach to public expenditure."

The Cabinet colleague Lord

## Heath urges Treasury change

FORMER TORY Leader Mr. Edward Heath warned that things were now more difficult than when he and his team attempted to deal with Britain's economic difficulties.

His remedies included an even tougher pay policy, and a revamped Government political machine with the Treasury reorganised and a Minister to "control and drive."

Mr. Heath said that the Chancellor's dilemma was plain. "He is boxed in on the side of public expenditure, on employment, on investment, on trade, and boxed in now on the rate of sterling which has fallen below \$2."

Mr. Heath found it "incomprehensible" that Mr. Healey could make a major speech without even mentioning the pound sterling and what had happened in the past week.

"We heard nothing of his views about the Nigerian decision, apparently, to diversify their holding in sterling."

Control

He did not accept the Chancellor's emphasis on "world recession." It led all too easily to the conclusion that when we pulled out of this recession all our problems would disappear.

Government expenditure had suddenly been jacked up and it would not be dealt with other than by a strategy to cover a considerable period.

Mr. Heath added: "I have come to the conclusion we are not going to see economic affairs properly managed and Government spending kept under proper control unless we have a different Treasury arrangement."

The Labour Government had been in 1964, with the new Department of Economic Affairs, but they got it the wrong way round. What was required from the Chancellor and his immediate Department was a kind of department which would deal with the economic strategy over a considerable period.

On the other hand, there must also be a Minister, with standing in his own right, who would deal with the budgetary aspects of income and expenditure.

Mr. Kenneth Baker (C. St. Marylebone), also suggested changing the Cabinet system. He pulled out of this recession all our problems would disappear.

Mr. Heath's warning was a reference to the powers under the Sanctions No. 2 Order which was introduced under the 1965 Southern Rhodesia Act.

It stipulates that a person shall not encourage members of the public to take employment in Rhodesia unless specifically authorised to do so. The penalty

## Tories show their fury over Mozambique aid

BY JOHN HUNT

THERE WERE bitter clashes in the Commons yesterday when the shadow Foreign Secretary, Mr. Reginald Maudling, claimed it was an "outrage" that the Government should give between £10m. and £15m. in aid to Mozambique while that country was committing at—and perhaps fomenting—terrorism and bloodshed across the frontier in Rhodesia.

There was a roar of Tory approval when Mr. Hugh Fraser (C. Stafford and Stone) declared: "To put £10m. of British taxpayers' money into a regime which encourages violence is like giving money to the IRA."

To counter cheers from the Labour benches, Mr. James Callaghan, Foreign Secretary, accused the Opposition of "latter-day Blimpism."

He utterly rejected Mr. Maudling's statement and accused the shadow spokesman of giving encouragement to the Smith regime and of doing long-term damage to the position of Europeans in Rhodesia.

Mr. Maudling would do better to "turn his guns on Mr. Smith." But when his use of words brought fierce protests from the Tories, Mr. Callaghan added hastily that he had only meant this remark metaphorically.

Questioned about possible British military intervention in Rhodesia, Mr. Callaghan emphasised that there was no intention of launching a campaign of any sort.

In other exchanges Mr. David

Ennals, Minister of State at the Foreign Office, said that Britain would prefer a peaceful solution to the Rhodesia problem, but that continued procrastination by Mr. Smith would make an armed struggle inevitable.

Britain, he said, was maintaining continuous contact with Rhodesia's neighbouring States and, as far as possible, would be co-ordinating action with them. He promised that the Government would take any opportunity to bring about early majority rule in Rhodesia by peaceful means.

The Foreign Secretary reminded Mr. Maudling that the UN had called for assistance to Mozambique and every Commonwealth country was joining in this. If the Conservatives wanted to stand out against that, they should say so clearly.

But Mr. Maudling again asked Mr. Callaghan to make a statement to the Commons when the Mozambique Government was committing at, or fomenting terrorism in Rhodesia.

Mr. Callaghan retorted: "If the gentlemen who are now training for the presidency of the four African countries adjoining Rhodesia and this meant giving aid where aid was required, it is about time some members of the Opposition faced up to the responsibilities of this situation. What is required for a peaceful transition to African majority rule is a simple statement to this effect by Mr. Smith," the Foreign Secretary added.

Isolation

It is not necessary for the Government to lay an Order before the House for the financial aid to be given to Mozambique. Mr. Callaghan will make a statement to the Commons when the Mozambique Government was committing at, or fomenting terrorism in Rhodesia.

Mr. Callaghan retorted: "If the gentlemen who are now training for the presidency of the four African countries adjoining Rhodesia and this meant giving aid where aid was required, it is about time some members of the Opposition faced up to the responsibilities of this situation. What is required for a peaceful transition to African majority rule is a simple statement to this effect by Mr. Smith," the Foreign Secretary added.

## Recruiting for Rhodesia against sanctions law, Callaghan warns

BY JOHN HUNT

A WARNING that anyone trying to recruit mercenaries for the Smith regime in Rhodesia could be prosecuted under the sanctions legislation, was given in the Commons yesterday by Mr. James Callaghan, the Foreign Secretary.

He was commenting on a report that the rebel Rhodesian forces were trying to recruit Scots mercenaries with the aid of ex-Servicemen's records and private addresses.

Mr. David Ennals, Minister of State at the Foreign Office, came in for strong criticism from all sides of the House when he said that 83 of the passports confiscated from the Angolan mercenaries had still not been returned but they could have been back if they signed an undertaking not to return to Angola as mercenaries.

Mr. Callaghan's warning was a reference to the powers under the Sanctions No. 2 Order which was introduced under the 1965 Southern Rhodesia Act.

It stipulates that a person shall not encourage members of the public to take employment in Rhodesia unless specifically authorised to do so. The penalty

for infringement is a maximum for them to continue holding

of two years' imprisonment or a fine of £1,000. Mr. Ennals said that the Government would not go to the aid of anyone who was not going to see economic affairs properly managed and Government spending kept under proper control unless we have a different Treasury arrangement.

This brought protests from Labour and Liberal backbenchers, and from Mr. Reginald Maudling, shadow Foreign Secretary. They wanted to know who had the power to decide such cases and on what criteria.

Mr. George Cunningham (Lab., Lillingston S. and Finsbury) wondered how we could criticise the Berlin Wall when we were imposing restrictions which prevented our own citizens leaving the country.

Mr. Ian Blaxter (Lib. Berwick) saw it as a sinister move which could be used to silence criticism which the Government found undesirable.

MP wants indecent displays ban

INTRODUCING the Indecent Displays Bill, Mr. Rees-Davies said his Bill was more or less the same measure as a previous Bill, introduced by the Conservative Government in 1973 but never completed—except that it excluded any reference to cinematograph displays.

## Peugeot 504L diesels. The exclusive facts.

Peugeot 504L diesels, saloon and estate. Exceptional economy, especially for the high-mileage vehicle operator. 38 mpg with Dervat around 60p a gallon.

So don't ask you get the cost-per-mile economy of a Mini (think what you'd save in a year). And the Peugeot Diesel's built-in strength and reliability means even further economies in maintenance and repairs.

But don't imagine that Peugeot diesel economy implies any stark austerity. The superbly-fitted saloon carries five in quiet, smooth luxury. Estate load capacity is 66 cu. ft. Top speed is a healthy 87 mph. And standard equipment includes reclining front seats, heated rear window, power-assisted dual-circuit brakes, radial tyres, and theft steering lock two-speed wipers, laminated windscreen and electric screen washers, hazard warning lights and inertia reel seat belts.

\*Source: What Car?

## We've always taken things seriously.

Why are Peugeot cars famous for strength? Peugeot is the world's second oldest car manufacturer, and the second largest in France, producing nearly a million cars a year. With sales and service throughout the UK. They have a wealth of experience in diesels, producing nearly a million engines over the last 15 years.

And Peugeot engineers combine old fashioned beliefs with modern technology. They say: "If you can't make it well, don't make it at all."

Peugeot make all major components themselves. Their own engines and gearboxes, body panels and shock absorbers. Each part designed and engineered for strength and safety. And every engine, gearbox and completed car given an individual test.

Small wonder you get the lion's share of reliability and safety with Peugeot. Because Peugeot give you the lion's share of strength. (Remember the Safari Rally?) And we sum it all up with the lion on the grille of every car we make.

I'd like to know more about Peugeot 504L Diesel Saloon and Estate. Please send brochures on Peugeot 104 Saloon, 204 Saloon and Estate, 304 Saloon and Estate, 504 Saloon and Estate, 504 Saloon/Duty free and export facilities. (Delete whichever do not apply.)

Name \_\_\_\_\_ Address \_\_\_\_\_

Send to: Customer Liaison, Peugeot Automobiles (UK) Ltd., Peugeot House, Western Avenue, London W14 8BA. Telephone: 01-993 2331. World famous for strength.

The only diesel cars with world famous Peugeot strength.

مكتبة الأمل



## GENERAL APPOINTMENTS

We are seeking a

### Commercially Minded Financial Controller Director Designate

The post is interesting and varied and, as such, carries slightly more problems than usual. Based in London, the appointment of Financial Controller will be to our overseas holding company which is currently being formed. This operation is small but it is our objective to build, over the next five years, a structure similar to that of our main Group here in the United Kingdom. Travel abroad is a requirement and is likely to represent some 30% of the executive's time. Responsibilities also include assisting in and carrying out projects, both within existing Group operations and potential acquisitions. The post also carries appointment as Financial Director/Company Secretary to one of our London-based subsidiary companies. The successful applicant will be required to have had positive commercial experience with the emphasis on financial and secretarial matters and the ability to make a positive contribution to the Group's profits and progress—to resolve problems rather than pass them on. A working knowledge of French is essential. Professional qualification preferred. Age bracket 35-45. The Solicitors' Law Stationery Society Group consists of a London-based holding company and seven companies trading in:

STATIONERY PRINTING-PUBLISHING OFFICE EQUIPMENT  
COMPUTER BUREAU  
INTERNATIONAL CONFERENCES AND SPECIALIST SERVICES  
There are at present six similar but smaller businesses abroad.

OUR TRACK RECORD IS EXCELLENT

We also seek, due to our continued expansion,

### Senior Executives

In most functions and companies listed above.

Write briefly—one page only—in confidence to:—

**oyez**

Mr. R. A. Hodges,  
Chairman & Group Managing Director,  
The Solicitors' Law Stationery Society Ltd.,  
Oyez House, P.O. Box 55, 237 Long Lane, London SE1 4PU.

## MERCHANT BANKING

GULF AND ARABIA

c. \$25,000

Our client, an established Anglo-Arab merchant bank, seeks a manager to join their small team at their head office in Dubai.

The bank is active in arranging joint-ventures and loan syndicates. It assists in corporate finance, export finance and business development. It is building up an underwriting and placing capability. Applicants, aged about 30, should be good communicators and have experience in merchant banking or in structuring loans.

A salary around \$25,000 is envisaged, together with free accommodation and the use of a car.

Interviews will be arranged in London or in the Middle East.

Please write in the first instance, and in strict confidence, to:—

B. Underwood, Whitehead Recruitment Limited, Whitehead Consulting Group,  
21 Wigmore Street, London, W1H 9LA.



**WHITEHEAD**

### Senior Investment Analyst

A leading provincial broker with a London office seeks to appoint a senior research analyst to monitor a wide range of companies.

A highly competent background in investment research is essential as is complete self-motivation; the selected applicant will work with a minimum of supervision and will have the opportunity of assisting with the marketing of the research material to private clients.

Remuneration will be by negotiation but will be sufficient to attract the high calibre analyst required for this position.

For full details  
telephone Tony Tucker M.A.  
on 01-405 3499

**Lloyd Executive**

Brownlow House, 50-51 High Holborn, London WC1V 6ER

### FINANCIAL ANALYST LONDON

We are a leasing subsidiary of a major international bank. Due to sustained growth during the past year it has now become necessary to recruit an additional financial analyst reporting directly to the General Manager.

The successful candidate will have an analytical approach to problems and an outgoing personality in order to assist in the marketing of our financial service. The job itself presents an outstanding opportunity for exposure to aspects of international finance, marketing, tax and law.

Applicants need to be self-starters and enthusiastic and aged in their middle to late twenties. They should have an M.B.A. or equivalent qualification or abilities. A minimum of 18 months' work experience is a pre-requisite.

Salary will be negotiable around £8,000 p.a.

Please reply giving full personal details to Box A.5462, Financial Times, 10, Cannon Street, EC4P 4BY.

### Research Executive for Major Film Company

The world's largest international film distribution company is seeking a London-based market research executive. The functions include: planning and co-ordinating specific projects; selecting research organisations; design of questionnaires. The research will initially involve advertising tests; it will also include periodical tests on audience response to specific films in various countries. Knowledge of international research operations essential. Some knowledge of the film industry a distinct advantage. Salary commensurate with experience. Applications to Box A.5465, Financial Times, 10, Cannon Street, EC4P 4BY.

### Senior Investment Analyst- Oil

required by leading firm of Stockbrokers.  
The Analyst will be required not only to write detailed studies but also to visit companies and financial institutions.  
Salary is negotiable commensurate with the analyst's experience.  
Please write in the first instance, giving full details, quoting reference 8118 to the address below, stating any company to which you do not wish your application forwarded.

Foster Turner & Benson  
Recruitment Advertising  
12 Sutton Row, Soho Square,  
London W1V 5HF.

### DUKES CAREERS LTD.

STOCKBROKING DIVISION  
21, Royal Exchange, E.C.2  
01-623 4086

Leading firm of Stockbrokers seek exp. contract clerk for senior position. At least two years' experience.  
Salary £13,000 p.a. plus unusually generous fringe benefits.  
Specialist firm of London Stockbrokers require young person preferably grad. for contract clerk position. Ability to work on own initiative plus experience of fixed interest securities, especially Government securities. General knowledge of U.K. Equities useful. Highly competitive salary and excellent prospects.

### STOCKBROKERS

Medium sized firm require an assistant for their Bank Department, who is experienced in handling enquiries.

Applicants aged 25/30.  
Details to P.O. Box No. 548, Reference L.C.S.

## ASSISTANT MANAGERS FOR CORPORATE TAX

City

Salary £6,500 - £7,500

A large International firm of Chartered Accountants have vacancies for Assistant Managers (male/female) in their London Office Corporate Tax Department. They will be responsible for the corporate tax matters of large International Companies and Close Companies, and will have the assistance of 3 or 4 staff.

Applicants should be able to exhibit the qualities of leadership, personality and responsibility commensurate with these appointments, and will have gained the requisite experience with a medium/large sized firm of Chartered Accountants.

For further details, please write to:

Box No. A5434, 10 Cannon Street,  
The Financial Times, London EC4P 4BY.

## Managing Director

To control and develop the complex operations of a major subsidiary (T/O £30M) within one of Britain's foremost engineering groups.

You must be a graduate and a qualified engineer who has had proven success in a significant and profit responsible general management situation. Apart from the ability to fit into a highly qualified management team and with a large, skilled workforce, you should have a sound knowledge of heavy engineering, with emphasis on production and the commercial intricacies of high value projects. Age 35-50, a salary in line with this responsibility is negotiable—it is unlikely that you are at present earning less than £12,000. Northern location.

Applicants, male or female, are invited to send full details of their qualifications and experience, in confidence, quoting reference 895LC/FT to:

**Robert Lee  
International**

24 Berkeley Square, London W1X 6AR.

### DIRECTOR OF CORPORATE FINANCE DEPARTMENT

A major London stockbroking company is seeking to appoint a senior and experienced Director to head their Corporate Finance Department, reporting directly to the Chief Executive and with responsibility for developing the company's services to larger quoted companies. These services will include advice and support on mergers, acquisitions, equity and loan financing and other activities which can be supported by the firm's institutional equity and gilt business. Many of these activities will be in close co-operation with the company's Merchant Bank Clients. The Corporate Finance Department already has considerable technical experience and skills.

Subject to Stock Exchange requirements, it is intended that the Corporate Finance Director should be appointed to the Board, and will play an important role in determining profitability and progress of the company. It is also intended to invite the Corporate Finance Director to become a shareholder in the business. The career prospects and rewards will be particularly attractive to someone at present in a senior position in a Merchant Bank or leading firm of Solicitors or Accountants.

Write in confidence to the Chairman, Box A.5463  
Financial Times, 10 Cannon Street, EC4P 4BY

### WANTED SLIGHTLY U EXECUTIV

Industry's biggest current for seasoned, mature executives in their 30's, 40's. Challenging clients have provided these are the most profitable and rewarding work of their lives.

To learn how "slight executives have renewed careers, you're invited to visit one of our pro Career Advisers without obligation.

For your personal "senior" appointments, write to our nearest office. We (help) change lives.

FREDERICK

### CHUSI

& COMPANY LTD.

Multinational Consultant in Executive Assessment Development and Career Advancement

Not a Job Placement Service

London: 35 Fleetway Street

Phone 01-637 2290/2

Paris: 6 Rue de Berri

Phone 225.31.80

### COMMODI VACANCIL

COFFEE TRADER/MANAGER

(with drive and inter contacts, salary negotiable)

EDIBLE OILS

TRADER/MANAGER

(£10,000 basic)

TRADER

(beans, pulses, etc. £7,000)

PHYSICAL COPPER DE

(£6,000-£10,000 basic)

SHIPPING MANAGER

(FOSEA exp. £4,000)

OPERATIONS CONTR

(Swiss permit required, d status salary negotiable)

FERRO ALLOYS TRAC

(£5,000-£8,000 p.a. basi

Write or Tel.

CHARTERHOUSE

APPOINTMENTS.

9 Great Newport Street

London, W.C.2.

(01) 836 2377.

Recruitment specialists for Commodity Markets.

### CREDIT ANALY

C. £4000

Progressive U.S. Bank offers an

the opportunity to a

Banker who displays the poise

and the ability to

Probably around 25, you should

have a strong personality, a good

academic record and some experi

in the financial field.

within an international Bank.

Telephone John Chiverton, A

on 01-405 7711

DAVID WHITE ASSOCS. L

### MANAGING DIRECTOR

with extensive sales experi

required for progressive ye

Importers/Exporters.

Remuneration and fringe benefit

offer commensurate with exper

Applicants should write with candi

Write Box A.5466, Financial T

10, Cannon Street, EC4P 4B

87.

## Anthony Mack Limited

Have vacancies for  
Sterling Inter-Bank Brokers,  
Local Authority, and  
Commercial Brokers

Applicants should have experience and will be given good salaries plus share of profits.

Write in confidence to or telephone:  
Mr. A. W. G. Mack or Mr. C. S. Wells  
at 77 Watling Street, London EC4M 9JB  
Telephone 01-248 0691

### APPOINTMENTS WANTED

#### SENIOR DEALER

Dutch national. Eight years experience in foreign exchange and currency deposit grading. Fluent English, French, German. Some Middle East experience. Free to relocate and to travel. Suits senior position with major bank or company.  
The Financial Times,  
10, Cannon Street, EC4P 4BY.

#### EXPORT

Senior Subject: 27 yrs. single, H.N.D. Business Studies. French speaking. 10 yrs. business experience includes 5 yrs. residence in Holland, Luxembourg and U.S.A. as an overseas representative making regular visits to hospitals, universities and scientific research establishments throughout W. Europe and U.S.A.  
Send appointment offering suitable career prospects. Please write Box A.5468, Financial Times, 10, Cannon Street, EC4P 4BY.

QUALIFIED ACCOUNTANT with successful world wide experience in banking & commerce, both as investigator & officer, seeks position, home or overseas. Write Box A.5469, Financial Times, 10, Cannon Street, EC4P 4BY.

ARABIST - DEALER: mls. 20+ yrs. experience in banking & commerce, both as investigator & officer, seeks position, home or overseas. Write Box A.5469, Financial Times, 10, Cannon Street, EC4P 4BY.

Handwritten signature: *John Chiverton*















Head Office Editorial and Advertisement Offices:  
BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF  
Telephone Day & Night: 01-248 8800. Telegrams: Finantime, London  
Telex: 886341/2. 886387

For Share Index and Business News Summary Ring: 01-246 8026

Birmingham: George House, George Street, Birmingham 3, 021-246 8026  
Bristol: 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

THURSDAY, MARCH 11, 1976

## Questions of credibility

WHATEVER MAY have been true of the fall in sterling over the week-end, it seems clear that the further selling yesterday was neither expected nor wished by the authorities. The whole episode, in which what began as a stabilising operation and developed into an adjustment has taken on a momentum of its own, is an illustration of how delicate is the state of confidence in the U.K. economy among international bankers. It may seem irrational that they should take more notice of the recent movements in sterling than of the underlying facts, moving from an excess of confidence a week ago, when sterling floated above the troubles of the lira, to the present bear market: it is not surprising. The facts which might stabilise a speculative market are hard to discover.

### Four forecasts

Facts in this respect are of two kinds: forecasts and policies. We have now had four forecasts of various kinds covering various periods, from the Treasury, the OECD, the National Institute and now the Bank of England. They differ quite radically and it is clear that the private forecasts available to bankers and corporate treasurers embrace an equally wide range of possibilities. There are two reasons for this: different understandings of the present situation, both in the U.K. and in the outside world; and different assumptions about Government policy. The Chancellor, in defending his White Paper on public expenditure in the Commons the night before last, reverted to language about growth targets and economic management which would have sounded rather less fanciful in 1964 than it did this week.

On other occasions the Chancellor has said things which suggest that he understands what is required of him better than his knockabout exchanges in the Commons might suggest. He has repeatedly stressed the prime importance of reducing domestic inflation, and a good deal of what he has said suggests that he believes, as we do, that the way to obtain growth is not to talk about improbable numbers, but to get the underlying conditions right and let growth look after itself. The new analysis in the Bank of England

Bulletin carries the argument an important stage further. The basis of the Bank's general optimism is a forecast that consumers in all the industrialised countries will spend a progressively bigger proportion of their income as inflation abates. This is because the Bank's researches suggest a cogent explanation of the abnormally high savings levels in all developed countries which have confounded both forecasts and accepted theories of behaviour. The Bank has had a look at the capital side of the account—the devaluation of liquid savings which results from rapid inflation. It suggests that people cut down their spending to rebuild their ravaged assets and shorten their debts—which is surely a matter of everyday human experience; and it claims that taking this relationship into account can provide a better explanation of consumer spending not just recently, but over the last decade and a half. We are now on the other side of the slope: declining inflation will relieve this pressure.

### Profit margins

Consumer spending, then, will provide the motive power for world trade; and the rapid improvement in export profit margins relative to home sales which the Bank (unlike the National Institute) has noticed, should ensure an eager British response. There is, then, a real prospect of export-led growth; on this view a domestic deflation is not only unnecessary, but would damage an otherwise favourable prospect.

What does worry the Bank is the prospect for profits in the home market, and thus for adequate investment; the Bank has direct contacts with industry, and claims to have detailed evidence of how the Price Code is even now discouraging known, specific projects for cost-saving investment. It therefore insists that the cyclical recovery in profits must not be impeded, and wants the Price Code amended sooner rather than later. The message for the Chancellor both from the Bank and the markets could hardly be clearer: to move cautiously, with the right priorities, and to avoid taking undue risks, with the exchange rate or the economy, in an effort to kick the growth rate up.

## A flexible approach to participation

IT IS a measure of how far the CBI's thinking on industrial democracy has moved in the past year or two that it is now proposing a legal requirement on larger companies to conclude a "participation agreement" with their employees. In its proposals to the Bullock Committee it defines participation as "a means of achieving a more efficient industry through better employer-employee relationships, by ensuring that decision-making in industry is, wherever practicable, with the acceptance of the employees involved."

### Arbitration

The CBI argues for a flexible approach which would vary from one company to another. The agreement must cover all employees and be endorsed by them, must not conflict with collective bargaining and must not interfere with the executive function of management. All companies with more than 2,000 employees would be given four years in which to reach such an agreement; if none was reached after four years the matter would be referred to arbitration for an enforceable decision to be produced.

There is a clear conflict with the TUC's approach, not merely on the issue of union-elected representatives on Boards of directors, but on the objectives of participation. The CBI puts emphasis on promoting understanding among employees, on involving them more fully in the content and purpose of their jobs and on making them aware of the thinking behind the major decisions which affect them.

The TUC, by contrast, is concerned with developing the machinery of collective bargaining so as to exert union control over important decisions. One group within the TUC thinks this can best be achieved by means of a statutory require-

ment for supervisory Boards, half of whose members would be elected through the trades unions. The other group thinks that union-elected directors would be irrelevant and that the right approach is to extend such bargaining into areas—such as investment decisions—which are now regarded as the prerogative of management.

There is a danger that both TUC and CBI proposals may divert attention from the central problem. This is to make the existing system of collective bargaining, with its existing terms of reference, work better. It is in the broad and better aspects of industrial relations—wage structures, grievance procedures, demarcation disputes and so on—where the U.K. is so far behind its competitors and where the most strenuous effort from unions and management is needed. Nevertheless, the pressures for worker participation—from all three political parties and from the European Commission as well as from the unions—are now so great that some move in this direction has to be made. The important thing is that it should be made in a way which reduces and does not aggravate day-to-day conflict in individual plants.

To do this it is right, as the CBI argues, to keep the new participation agreements separate from collective bargaining. There is bound to be a continued extension of collective bargaining and some overlap between the two channels is inevitable; the hope must be that the greater mutual understanding that comes from participation will have a "spin off" in industrial relations generally. What is certain is that progress towards participation must be gradual and non-dogmatic, starting at the bottom and working up; an elaborate, uniform system imposed from above will only make a bad situation worse.

Joe Rogaly examines the implications of London's crime figures announced yesterday by Scotland Yard

# The police protection we cannot afford

THE British police are not efficient protectors of private property. They cannot be: the task is beyond the capacity of most forces. The nature of our society is against them. Figures produced by Scotland Yard yesterday show once again that this is certainly true of London; the broad statistics for England and Wales, which will be published during the next week or so, will no doubt confirm that it is also true of the country as a whole. The corollary is that if people want a reduction in the number of break-ins, thefts, motor car "borrowings" and other similar crimes they should campaign for changes in our social behaviour that no police force can arrange.

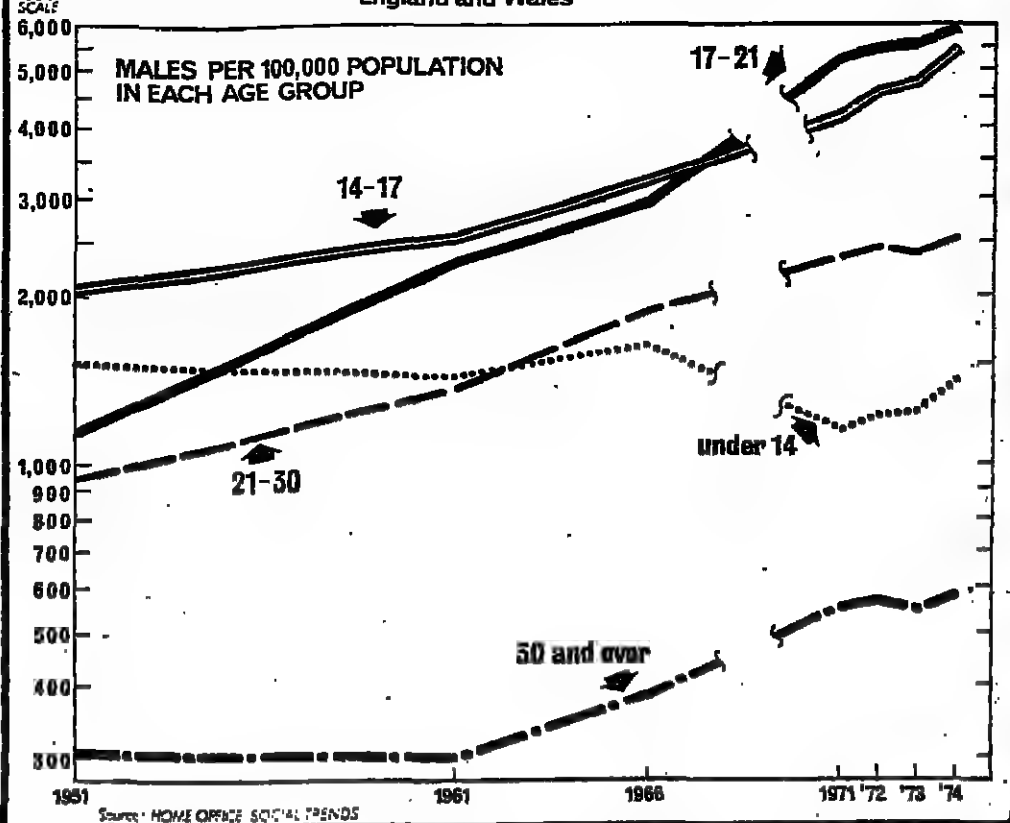
Scotland Yard did its best to dramatise one such social phenomenon yesterday. It produced a set of charts that any self-respecting statistician should be ashamed of—not because the figures were falsified (they were not) but simply because they were presented in such a manner that overstatement was inevitable. The charts indicated that more than half of all arrests for indictable crimes last year were of persons under 21, while around a third were of children aged between 10 and 16. One aged labelled "burglary" seemed especially startling: it showed that 48 per cent. of arrests were of children aged between 10 and 16, with another 21 per cent. covering young persons between 17 and 20.

## Not absolutely correct

As the Yard had the grace to point out in its explanatory statement, "this does not mean that juveniles committed these proportions of the unsolved crimes, as well." In fact, it does not even give an absolutely correct picture of the share of young persons in "solved" crimes, for there is a difference between being arrested and being prosecuted, and a further difference between being prosecuted and being found guilty.

As the accompanying graph shows, the truth about the increase in the number of young persons convicted of crimes is disturbing enough; there is no need to exaggerate by means of imperfect statistics. The trouble is that most criminal statistics can be misleading, because what they imply is not always an objective truth. If a chief constable decides to round up all the known car thieves in his area he may put a large force on to following them about; this will show up as an increase in the number of cleared-up car thefts. If more people complain to the police, there will be an apparent increase in the amount of crime. Those who specialise in such matters believe, from the evidence of a number of studies, that the majority of victims of

## PEOPLE FOUND GUILTY OF INDICTABLE OFFENCES & CRIMES



Caution: The definitions of certain crimes were changed by the Theft Act 1968 and the Criminal Damage Act 1971. This accounts for some of the apparent increase in the graph. Lines: the 1972, 1973 and 1974 figures are on a completely comparable basis.

crimes of violence (domestic quarrels and bar brawls apart) do report to the police; such figures, which continue to show an unpleasant rate of increase, can be taken as reasonably hard. The reporting of thefts and other crimes against property is a less certain matter. Professional criminal statisticians have no doubt that if people see more policemen in patrol cars or on the beat they will be more likely to report (because they will believe there is a better chance of some action). This is why an increase in the number of policemen invariably results in an increase in the amount of recorded crime.

## Recruitment policy

For such reasons alone it is prudent to expect a further rise in the number of crimes written down as being "known to the police" when the figures for next year, and the years after that, are produced. The recent public expenditure cuts left our police forces more or less unscathed; they are being encouraged to recruit up to full strength and they have a fair chance of doing so while unemployment is so high. One result will be that about this time next year Scotland Yard will almost certainly be telling of another increase in 1976, following the 9 per cent. increase in recorded

London crime (and the 7 per cent. increase in recorded indictable offences in England and Wales) in 1975.

The important question is "how much does it matter?" Although the number of sexual offences has actually been falling, and murder remains mainly something between close friends or within the family, the amount of wounding and assault certainly has shot up to levels that most people will find alarming; there were 6,000 such offences in England and Wales in 1981 and 62,000 in 1984. About half of these offenders end up being found guilty, mostly in our magistrates' courts—although only 5 per cent. of those are sent to prison or detention centres. Crown Courts, which take a small minority of cases, are tougher—but only about one-third of their sentences for violence involve imprisonment.

Thus it may be right to encourage the police to put even more manpower into such cases, and some people would advocate putting many more violent criminals in jail. If this really was to become a new official policy then we would soon have to start building more jails. On February 15 (the latest date for which figures have been published) there were some 41,000 people in prison in England and Wales. The official number of places in all prisons taken together is 38,557. This apparent overcrowding is very real in prisons holding serious long-term offen-

ders and people awaiting sentence. Detention centres for the young are also creaking. There is still some room in open prisons, but a wholesale change in sentencing policy would quickly use it up. This may be the best approach to violent crime; if it is, those who advocate it must consider the cost of a large-scale prison-building programme.

## Rate at its lowest

The cost-benefit equation looks much more difficult when it comes to crimes against property. It is here that the "clear-up" rate is at its lowest. The Metropolitan Police force's clear-up rate for all recorded crime fell to 26 per cent. last year, from a peak of 30 per cent. in 1973. The rate is highest for murders (about 90 per cent.), lowest for petty thefts.

The national clear-up rate is better than Scotland Yard's: it was 47 per cent. in 1973 and 44 per cent. in 1974. The rate for offences of violence against the person was 80 per cent., for sexual offences 78 per cent., for fraud and forgery 82 per cent. But for robbery, theft, burglary, and vandalism the rates were all around 40 per cent. or less, with the lowest success rate (34 per cent.) for burglary. Clearly any serious attempt to improve on these rates would involve large increases in the cost of the police (although



contribute so much to the increase in petty crime by cents that no police force expected to deal with people in the field are to believe the evidence on their own eyes; one interesting about the figures in the on this page is that the upward line as the end lowered the raising of the leaving age (and the total incarceration in classes unwilling 16-year-olds leave school during part of the day they are in the number of large, comprehensive schools in headmasters and teachers it very nearly impossible keep track of what the cl are doing, or where the This does not mean th comprehensive schools is selves are necessarily baply that the way in wide are managed—or perhap impossibility of finding good headmasters to them—has had the en leading to an increase i day house-breaking and ism.

I cannot report this menon as certain, backed figures. But most peop are involved in the subj say privately that this is T. J. Clarke, Chief Insp Schools in Liverpool, sai I spoke to him yesterd while there are a num good comprehensive sch the area, he knows of instances in which truar certainly led to vandali burglary.

## Spot check on school

He believes that there be more spot checks on populations (one has depe tried just before Ch showed a rate of unes; absence of 15 per cent); in similar positions belie there should be more r methods of ensuring th ren stay on school p until the end of the scho Whether this alone woul is doubtful; the attitude o low-calibre teachers-may more important factor during the 1 in 80 or so schoolchildren who turu be criminals before the age of 17.

None of this is the Scotland Yard. Yet exercise in the inexact statistics may have the cation that to make a po have to shout very lou that is as far as the Met Police, or any provincial can go. For the rest w look to authorities othe the police if we want to the vast mountain of crimes against proper cluding the many unwe cases) to the more man proportions of a less ciplined era—say 10-yea

## Social change

A more useful approach might be to debate the kind of social change that could have a dramatic effect on petty-crime statistics. There is little hard research evidence available to back up what most people instinctively feel: that the lax discipline in our schools, the easy-going attitude of some parents, and the general atmosphere of irresponsibility all

## MEN AND MATTERS

### Not everyone loves ya, baby

Thanks to one very famous bald-headed TV detective, Kojak lollipops at 2p a time may be just what many children (and presumably an adult or two) want. But success in that market has its legal snares.

Taverner Rutledge, a Liverpool-based confectionery group, went to court over the matter last summer. Having started to sell "Kojakpops," it obtained an injunction against a rival company which claimed it had a licence from Universal City Studios, makers of the television series, to use the Kojak name. The issue has yet to go away, however. Documents published yesterday giving details of a £300,000 "rights" issue by TR disclose that Universal City Studios has started its own legal action against TR, though the U.K. company adds that it "is advised that the action is ill-founded and it will accordingly be vigorously contested."

Somewhat ironically, TR is run by an American, Toby Hyde, who joined the 75-year-old company in 1970 just as its fortunes began a nasty slide. About his first job, he recalled yesterday, was to announce a 40 per cent. drop in profits. His management training made chairman Hyde sure he could see what was up. "We didn't have any management accounts. It was impossible to tell what was going on." Another year passed, and profits were off 70 per cent.

Hyde buckled to, and TR began recovery in earnest. Pre-tax profits last year were up over 50 per cent. to £380,000 on sales 24 per cent. better at £4.7m. The proceeds of the rights issue will go mostly towards a £1.2m. expansion and modernisation programme.

Hyde was an economic adviser in the Harry Truman White House, then became U.S. managing director of the British-based Tea Bureau, reversing a 50-year decline in American tea drinking with a 25 per cent. increase in sales in five years. That was followed by advertising agency stints here and in America. He was in fact born in Berkshire, but when he was eight, his mother married an American which made Hyde American too.

As with Kojakpops, Taverner Rutledge sells at the very cheap end of the sweets market (what else can you buy for 1p nowadays?) but two of Taverner's chews? but is also in more fancy things like eclairs at 17p each.

The group, whose executives include John Taverner, head of exports, and Bill Taverner, in charge of production, both grandsons of the founder, views the future with confidence. Next step could be a merger with or acquisition of "a substantial company so that we can emerge as a considerable factor in our industry, which is highly fragmented."

## New chairman for BHS

With British Home Stores widely regarded as a smaller, but thriving and lively, competitor to Marks and Spencer, there seems to be an air of one-upmanship in yesterday's announcement that Sir Jack Callard is to become the new BHS chairman. After all it was just a fortnight ago that M&S announced a break with tradition by appointing ICI's retiring finance director Albert Frost, to its Board as a non-executive, and until last April Callard was ICI's chairman.

When he left ICI (like Frost a victim of the company's inflexible rule that directors should retire at 62) Callard went on to join the BHS Board about six months ago and now he moves up to succeed Sir Mark Norman who is 70 this year. The BHS policy is that executive



"Lettering with intent?"

directors go at 60, while non-executives are allowed an extra 10 years.

The one-upmanship aspect is largely illusory (although Colin Paterson, the BHS managing director jokingly points out "we got there first"). And while the two retail groups are to some extent looking for the same thing from their new appointees—wide international experience—there are differences, too. Marks, for so long the giant in its field, has not felt any need of non-executive directors at least since the war, and has only changed its mind in Frost's case because it wants outside expertise for its growing overseas operations. The policy at BHS is quite different; it has

made a habit of having several non-executive Board members including, traditionally, the chairman.

Paterson says that as far as BHS is concerned non-executive directors made a "very valuable" contribution adding, "we work them pretty hard." Callard he says, "has a wonderful reputation in management and as our chairman will bring us a lot of prestige. We are a thriving young company and we need someone like that." (Young? Sales this year should comfortably top £200m.)

### Hyams' jest

Harry Hyams, chairman of Oldham Estate, usually manages something quirky about the timing of the annual general meeting—at which each year he makes one of his few public appearances. It used to be held at tea time on New Year's Eve at the CBI, and then subsequently on the same day at the St. Ermins Hotel.

Now he is changing both time and place (because of the switch in the company's year end). This year the meeting is to be held at the more normal hour of 11 a.m. at Caxton Hall—but on April Fools Day.

### Holy admirable?

The Save the Children Fund has come up with a novel fund-raising scheme: the sale of small bottles of Jordan Water for christenings. Good idea, but some of the containers are recycled medicine bottles, putting vicars in a quandary: these bear the stern warning that the contents should be kept away from children.

Observer





ECONOMIC VIEWPOINT

BY SAMUEL BRITTAN

# The benefits of a little mismanagement

IMMEDIATE gloom is matters are as dubious as all being overdone. All recent indicators that demand and growth are faster than the economy, the Chancellor would be crazy to give any stimulus to home demand either now, or later in the year, or in 1977, in return for TUC promises. Mr. Healey may think it good politics to call the partial raising of tax thresholds to offset inflation a stimulus; but I doubt if the game would be worth the candle. The TUC should not be lulled.

But if the short-term gloom is being overdone, the Chancellor of the Exchequer is being sent, devaluation which would about a 5 per cent. growth rate between 1975 and 1977. The NIESR medium-term projection refers to a slightly different time period, but would correspond to about 2 per cent. on the Chancellor's basis. If growth in 1976 and 1977 is going to be higher than the 2 per cent. predicted by the NIESR, as I feel it will be, only the time path is altered. We will still have to face the fundamental obstacles it poses for the achievement of Mr. Healey's objectives.

ONE NIESR PROJECTION TO 1980  
Ave. % change, year on year, 1977-1980

Real GDP	3.0
Real wages (pre-tax)	1.4
Unemployment (% ave. for year)	4.9
(4.5 in 1980)	
Terms of trade	-6.7
Net trade balance (% of GDP)	0.8
Private consumption	1.8
Investment and stockbuilding	5.0
Public consumption	0.7
Current account deficit (£bn.)	-1.5
(-1.2 in 1980)	
Public sector borrowing requirement (% of GDP)	6.1
(6.5 in 1980)	

INFLATION'S IMPACT ON PROFIT MARGINS  
Bank of England Bulletin illustrative examples

	FIRM X	FIRM Y	FIRM Z
Historic cost mark-up (%)	30	20	10
Stock turnover (no. of times a year)	1	3	5
Effective real net profit margin (%) with costs rising at:			
0% a year	17 1/2	15 1/2	7 1/2
5% a year	11 1/2	12 1/2	6 1/2
10% a year	5 1/2	12	5 1/2
20% a year	-4 1/2	8 1/2	3 1/2
30% a year	-12 1/2	5	1 1/2
Rate of inflation at which the real net profit margin is eliminated	15 1/2	45 1/2	34 1/2

\* Not of provisions for depreciation at replacement cost

the things which really make life worth living. But the fact that the economy is much too pessimistic. If there is something like a common price level in international markets for traded goods, we could make exports more profitable without forcing the terms of trade down heavily against ourselves. In more conventional language, the NIESR has been too pessimistic about export and import elasticities. But, just as important, it may have underestimated the growth of British exports on a "constant competitiveness" assumption. As the Bank of England Bulletin points out, the U.K.'s share of world trade volume in manufactured goods far from declining, rose sharply in 1975.

The NIESR sets out an alternative strategy based on constant competitiveness and more international borrowing. Total public sector overseas indebtedness when the remainder of the International Monetary Fund and Iranian credits are drawn will reach nearly \$12bn. (about £5bn.). It is doubtful if we should deliberately plan to borrow still more. But it just so happens that the NIESR growth projection on this assumption gives the most reasonable results for the home economy and that is why I have reproduced it. Growth is about 3 per cent. up to 1980. Unemployment is 4.5 per cent., or about 1.5m. on an adjusted basis, and I doubt if the maximum sustainable level is much below the 900,000 to 1m. range. Mr. Denis Healey may temporarily get it down to 700,000, but at the cost of another inflationary explosion and an even nastier slump in its wake.

Support for the view that the amount of spare capacity may

not be as large as the unemployment figures suggest in an interesting change of front, comes from the Bank of England Bulletin. Because of inadequate past investment capacity constraints develop even before overheating appears in the labour market.

More efficient use of existing capacity, advocated by the Bank, might get the growth rate up, but at the expense of considerable structural unemployment. Conversely, "employment creation" in the form of subsidies for workers who are not really needed, or make-work projects, may take people off the unemployment register but not add anything appreciable to growth or welfare.

Indeed, most of the calculations purporting to demonstrate that insuperable balance of payments difficulties lie in the way of growth, really show that the supposed gap between actual and full employment output is 75 per cent. myth and that an attempt to bridge it would lead to runaway inflation.

But the main question is why companies allow profit margins to be eroded by wage pressure. The second table shows the devastating effect of historic cost mark-ups during an inflationary period. I suspect that businesses would, if left to themselves, eventually learn from experience and abandon the practice.

A more fundamental reason may be that the monetary authorities could hardly be expected to finance 20 or 30 per cent. wage increases indefinitely. If they did so, the next round of inflation might take them to 40 or 50 per cent. and the subsequent one on all stops to Latin America and Weinmar. Thus, severe wage pressures are in practice associated with recession and depressed markets.

With economic recovery in prospect, it is important to remove all artificial impediments to restoring profitability. The biggest single contribution to full employment would be the complete abolition of the price code and dividend control and their replacement by an anti-monopoly watchdog. Any good Marxist or ex-Marxist would know that you do not solve the problems of capitalism by depressing the return on capital. You either transfer ownership or you do not; but you do not prevent capital from doing its job.

## Extra jobs

NIESR believes that this year's rate stimulus to be 300,000 extra jobs by 1977. We would do well to keep British goods competitive, and time lags. But I believe that unemployment will reach the adjusted 1.5m. (or 1.6m. in total) predicted by the NIESR. Review, which anyone who wants to talk about exchange rates and inflation should learn by heart. If wages rise 10 per cent. faster than expected, and profit margins

impulse at home; and there need be no balance of payments constraint to growth. If statements want to argue against inflation, they must forget the nonsense argument about pricing British goods out of world markets.

The NIESR medium assessment is a highly sophisticated exercise which takes constant competitiveness for granted; and its pessimism has nothing to do with whether wages will rise by 5, 10 or 15 per cent. in the next round. Its basic assumption is that the current account deficit will have to be eliminated by 1980. World trade volume is assumed to grow by 8 to 9 per cent., but

import volume of less than 2 per cent. between 1977 and 1980. This is sufficient to support a growth rate of just over 2 per cent. The result is an unemployment rate rising to over 6 per cent. in the late 1970s, that is, nearly 1.5m. adjusted or 1.6m. in headline terms.

The important question is not whether these projections are right, which is anyone's guess, but what follows from them if they are. To increase export volume to support a higher level of activity would require a faster rate of depreciation than mere "constant competitiveness." We would have to give our goods a positive price

A much more plausible reason is also given by the NIESR. The calculation there is that of each additional 1 per cent. annual increase in the annual growth rate some 0.8 per cent. would be lost on the terms of trade as a result of the extra depreciation required. After allowing for the additional investment and stock building to support the growth, there would be nothing left over for extra private or public consumption.

The reasoning is impeccable; and if we shared the author's factual assumptions we would be well advised to cut working hours and devote ourselves to

Excusive

Finally, a word about the link between excessive pre-tax real wages and unemployment, which seemed to strike a number of people by surprise when I wrote about it a few weeks ago. The proposition is, perhaps, more familiar if expressed in terms of the squeeze on profit margins. Mr. John Fleming explains in the Bank of England Bulletin that the real post-tax rate of return was halved between 1960 and 1973 and would have disappeared but for the introduction of tax relief on stocks in November 1974.

Support for the view that the amount of spare capacity may

With economic recovery in prospect, it is important to remove all artificial impediments to restoring profitability. The biggest single contribution to full employment would be the complete abolition of the price code and dividend control and their replacement by an anti-monopoly watchdog. Any good Marxist or ex-Marxist would know that you do not solve the problems of capitalism by depressing the return on capital. You either transfer ownership or you do not; but you do not prevent capital from doing its job.

## Letters to the Editor

### Building award

Mr. P. Palmer-Jones

Some 250,000 (nearly 30% of the total) of the houses built in the construction industry have now been completed. In the past two years, output, already down 70% of capacity, continues to fall. The realistic picture for the next two years is rather very substantial and catastrophic reduction in output, and yet the annual wage negotiating process has just accepted a demand for the maximum wage increase of 10% or 12% at least, equal to at least a 10% increase in our costs and charges.

With the general economic situation as well as the very severe crisis within the construction industry, the representatives have abdicated from all sense of responsibility and leadership, judgment or representation at the behest of a militant minority of only one-fifth of our

thoroughly professional directors to take a full and participative part in the deliberations of boards in a non-executive capacity.

The function of supervisory boards in certain EEC countries has proved to be beneficial and our full membership of the Common Market should, before too long, result in our being called upon to instil similar procedures. The need for already competent persons not only to take a constructive part in a board but also to keep an eye on the propriety of what is going on—indeed to assume their portion of responsibility for the company's success or failure—is self-evident to all.

Where do you obtain such competent people? Entrepreneurs will go on with their own thing, often until they drop. Average directors of high powered companies may well be only too glad to step off the treadmill, if they survive the course. Accountants (the auditing profession) may have been exposed to the entrepreneurial attitude so necessary for stimulating company performance. Some lawyers may be similarly limited and possibly pedantic.

excellent exposition of the dilemma facing the professional accountancy bodies and the auditing profession itself. To carry the story one point further, the English, Scottish and Irish Institutes and the Association of Certified Accountants have now joined forces in an enlarged and reconstituted auditing practices committee.

Furthermore, on the topic of training and education, I should stress that certified accountants, in order to qualify, have to comply with the association's exacting training requirements, and these, together with the stringent test provided by the association's examinations ensure that only the ablest of students successfully complete the course.

My association is acutely aware of its burden of responsibility in this respect—especially in view of its vast student membership which now numbers well over 60,000 and is in itself larger than that of the other major accountancy bodies put together.

Desmond Goch,  
23 Bedford Square, W.C.1.

GENERAL

Carroll and Wirtal by-election.

Mr. Reginald Freeson, Minister for Housing and Construction, speaks at National Federation of Building Trades Employers lunch, Royal Lancaster Hotel, W.2.

Dr. Gavin Strang, Parliamentary Secretary, Ministry of Agriculture, speaks at Labour Party devolution meeting, Edinburgh.

Dr. Mungwa Waiyaki, Kenyan Foreign Minister, and Mr. Mwi Kibaki, Finance Minister, continue talks with British Government, London.

Royal Commission on Press hears oral evidence from National Union of Journalists and from Labour Party, Waldorf Hotel, W.C.2.

Mr. M. H. Fisher, editor, Financial Times, speaks on "The City and the Financial Press," London Chamber of Commerce, E.C.4.

TUC women's conference opens, Southport.

Financial Times conference on Business with Brazil ends, Rio de Janeiro.

Thanksgiving service for Sir Val Duncan, Westminster Abbey, noon.

Sir Lindsay King, Lord Mayor of London, attends Mercers' Company dinner, Mercers' Hall, E.C.2.

PARLIAMENTARY BUSINESS

House of Commons: Development Land Tax Bill, second reading; Motion on Northern Ireland Orders on appropriation, industrial and provident societies, housing, local government and planning and on Members' pensions.

House of Lords: Statute Law Revision (Northern Ireland) Bill, committee; Shops (Holiday Reserves, Sunday Trading) Bill and Prevention of Terrorism (Temporary Provisions) Bill, third reading; Water Charges Bill, committee. Debate on proposal in Queen's Speech for major review of practice and procedure of Parliament.

COMPANY RESULTS

Bentley Corporation (full year), Royal Dutch/Shell (full year), Ultramar (full year).

COMPANY MEETINGS

Bluenel Bros., Wolston, Coventry, 11.30. Charter Trust and Agency, 20, Fenchurch Street, E.C.3. Corn Exchange, 11.30. E.C.1. Watson and Philip, Dundee, 3.

EXHIBITIONS

Daily Mail Ideal Home Exhibition, Olympia.

MUSIC

Royal Philharmonic Orchestra, conductor Antal Dorati, with Felicity Palmer (soprano), perform Beethoven's overture and incidental music from Egmont, and symphony No. 8 in E flat, Royal Festival Hall, S.E.1 8 p.m.

### Non-executive directors

From The Managing Director, Professional Director.

Sir,—We applaud the sentiments expressed recently in your columns about the need for

never mention that initial section.

The difficulty for the tenant is that he usually feels trapped by inability to make a purchase, or a small hope of ever trying. Most people would probably wish to own and pay their way if they could find the opportunity.

Assistance is given by holding rents down which costs the State money on council house subsidies and helps to ruin the condition of the housing stock owned by landlords. The assistance of a low rent often goes to those who do not need it. Its only good effect is the incentive the landlord has to sell to a sitting tenant who is able to purchase without the deposit problem. Every further restriction for security reasons only deepens the problem. Mr. Crossland has realised this policy has failed.

Butchers' rubbish

From Mrs. D. Fry

Sir,—How much watering was your contributor's article "Traditional British Foodings" (March 8) which she says are rich in "eggs, milk, cream, suet and flour." If only one could obtain fresh beef suet. On requesting this from a young butcher he remarked "Oh, you mean the rubbish." We throw this away. At another butcher I was informed it was more convenient to deliver the beef suet these days. So much for the housewife's choice, who prefers fresh to processed ingredients.

Dorothy A. Fry,  
4 Copthall Gardens,  
Mill Hill, N.W.7.

Industrial marketing

From The Chairman, Roles and Parker

Sir,—One cannot but agree with the general points made by Peter Quinn (March 8) regarding the failure of much of British industry to apply proven marketing principles with the resultant decline in our world market share in many areas where our productive capability should be showing us a "net profit" on our overseas trading balance.

The picture, however, is not all gloom. There are numerous industrial companies which can reasonably claim to be meeting the international challenge and many of them are not only applying all the most up-to-date and relevant marketing techniques, but are doing so in collaboration with those few advertising agencies which specialise in handling industrial accounts.

These agencies have found ways to harness outstanding creative and marketing talent to the necessarily complex needs of the financial industry, particularly the engineering section, selling overseas. They have achieved this by developing methods of remuneration totally different to that of the consumer agencies.

H. T. Parker,  
Roles and Parker,  
Eagle Street, W.C.1.

educating auditors

From The Chairman, Education and Examinations Committee, Association of Certified Accountants

Sir,—In view of the dangers to the financial system of cases such as London and County Securities and of the criticism of the accountancy profession which such affairs provoke, I greatly welcomed the appearance of "New ground rules for the auditor" (March 5).

This timely article provided an

There now exists a surplus of housing in this country but there are still many people requiring dwellings. Controls and restrictions produce shortages where there is plenty. Concentration of help, not merely where it is most needed, but when it is most needed would go a long way towards adequately using the nation's stock of dwellings and also, as a by-product, keeping them in reasonable condition, since something owned is invariably better maintained and cared for than something hired.

C. H. Eldridge,  
14 The Glen,  
Exmouth,  
Devon.

Further details from the Subscription Department

### housing stock

Recent comment on our columns omits a possible observation that could be made by both occupiers and tenants. One of the words "subsidy" "subsidy" interest tax relief on income tax relief on charges and allowances received is taxed and it is that interest paid is allowed for tax. This result of the rules of tax is not a subsidy any more, which are value added at 8 per cent. carry by because they are not 1.25 per cent.

Income interest tax relief on the State money. Just people have realised that income below which would not pay to work, any value of mortgage interest would cause many prospective purchasers to stop that it would not pay to become a possessor and become a possessor to the council, housing and increase the house subsidy problem. could also be the disincentive upon ambitions to earnings, which the steeper effective tax rate, tax payer who with gains no tax benefit mortgage interest, tax to be merely leaving it to the fact of taking it and pays higher rate the income. A higher payer who is forced to mortgage is frequently large house in order relatives can share. needs the call upon State as there is rarely a case supplementary retirement of a social welfare as a safety net alone.

owner/occupier has the of ultimate completion, not endorsed by the out he has to make a water sacrifice initially to save a deposit to secure. In times of inflation, watches his savings as they accumulate, is stimulated by the travelling down. Adversely for tenants to the discrepancy between and owner/occupier.

Butchers' rubbish

From Mrs. D. Fry

Sir,—How much watering was your contributor's article "Traditional British Foodings" (March 8) which she says are rich in "eggs, milk, cream, suet and flour." If only one could obtain fresh beef suet. On requesting this from a young butcher he remarked "Oh, you mean the rubbish." We throw this away. At another butcher I was informed it was more convenient to deliver the beef suet these days. So much for the housewife's choice, who prefers fresh to processed ingredients.

Dorothy A. Fry,  
4 Copthall Gardens,  
Mill Hill, N.W.7.

Industrial marketing

From The Chairman, Roles and Parker

Sir,—One cannot but agree with the general points made by Peter Quinn (March 8) regarding the failure of much of British industry to apply proven marketing principles with the resultant decline in our world market share in many areas where our productive capability should be showing us a "net profit" on our overseas trading balance.

The picture, however, is not all gloom. There are numerous industrial companies which can reasonably claim to be meeting the international challenge and many of them are not only applying all the most up-to-date and relevant marketing techniques, but are doing so in collaboration with those few advertising agencies which specialise in handling industrial accounts.

These agencies have found ways to harness outstanding creative and marketing talent to the necessarily complex needs of the financial industry, particularly the engineering section, selling overseas. They have achieved this by developing methods of remuneration totally different to that of the consumer agencies.

H. T. Parker,  
Roles and Parker,  
Eagle Street, W.C.1.

educating auditors

From The Chairman, Education and Examinations Committee, Association of Certified Accountants

Sir,—In view of the dangers to the financial system of cases such as London and County Securities and of the criticism of the accountancy profession which such affairs provoke, I greatly welcomed the appearance of "New ground rules for the auditor" (March 5).

This timely article provided an

There now exists a surplus of housing in this country but there are still many people requiring dwellings. Controls and restrictions produce shortages where there is plenty. Concentration of help, not merely where it is most needed, but when it is most needed would go a long way towards adequately using the nation's stock of dwellings and also, as a by-product, keeping them in reasonable condition, since something owned is invariably better maintained and cared for than something hired.

C. H. Eldridge,  
14 The Glen,  
Exmouth,  
Devon.

Further details from the Subscription Department

Further details from the Subscription Department

### housing stock

Recent comment on our columns omits a possible observation that could be made by both occupiers and tenants. One of the words "subsidy" "subsidy" interest tax relief on income tax relief on charges and allowances received is taxed and it is that interest paid is allowed for tax. This result of the rules of tax is not a subsidy any more, which are value added at 8 per cent. carry by because they are not 1.25 per cent.

Income interest tax relief on the State money. Just people have realised that income below which would not pay to work, any value of mortgage interest would cause many prospective purchasers to stop that it would not pay to become a possessor and become a possessor to the council, housing and increase the house subsidy problem. could also be the disincentive upon ambitions to earnings, which the steeper effective tax rate, tax payer who with gains no tax benefit mortgage interest, tax to be merely leaving it to the fact of taking it and pays higher rate the income. A higher payer who is forced to mortgage is frequently large house in order relatives can share. needs the call upon State as there is rarely a case supplementary retirement of a social welfare as a safety net alone.

owner/occupier has the of ultimate completion, not endorsed by the out he has to make a water sacrifice initially to save a deposit to secure. In times of inflation, watches his savings as they accumulate, is stimulated by the travelling down. Adversely for tenants to the discrepancy between and owner/occupier.

Butchers' rubbish

From Mrs. D. Fry

Sir,—How much watering was your contributor's article "Traditional British Foodings" (March 8) which she says are rich in "eggs, milk, cream, suet and flour." If only one could obtain fresh beef suet. On requesting this from a young butcher he remarked "Oh, you mean the rubbish." We throw this away. At another butcher I was informed it was more convenient to deliver the beef suet these days. So much for the housewife's choice, who prefers fresh to processed ingredients.

Dorothy A. Fry,  
4 Copthall Gardens,  
Mill Hill, N.W.7.

Industrial marketing

From The Chairman, Roles and Parker

Sir,—One cannot but agree with the general points made by Peter Quinn (March 8) regarding the failure of much of British industry to apply proven marketing principles with the resultant decline in our world market share in many areas where our productive capability should be showing us a "net profit" on our overseas trading balance.

The picture, however, is not all gloom. There are numerous industrial companies which can reasonably claim to be meeting the international challenge and many of them are not only applying all the most up-to-date and relevant marketing techniques, but are doing so in collaboration with those few advertising agencies which specialise in handling industrial accounts.

These agencies have found ways to harness outstanding creative and marketing talent to the necessarily complex needs of the financial industry, particularly the engineering section, selling overseas. They have achieved this by developing methods of remuneration totally different to that of the consumer agencies.

H. T. Parker,  
Roles and Parker,  
Eagle Street, W.C.1.

educating auditors

From The Chairman, Education and Examinations Committee, Association of Certified Accountants

Sir,—In view of the dangers to the financial system of cases such as London and County Securities and of the criticism of the accountancy profession which such affairs provoke, I greatly welcomed the appearance of "New ground rules for the auditor" (March 5).

This timely article provided an

There now exists a surplus of housing in this country but there are still many people requiring dwellings. Controls and restrictions produce shortages where there is plenty. Concentration of help, not merely where it is most needed, but when it is most needed would go a long way towards adequately using the nation's stock of dwellings and also, as a by-product, keeping them in reasonable condition, since something owned is invariably better maintained and cared for than something hired.

C. H. Eldridge,  
14 The Glen,  
Exmouth,  
Devon.

Further details from the Subscription Department

Further details from the Subscription Department



## COMPANY NEWS + COMMENT

## BTR profit advances by 62% to £16m.

PROFITS before tax of BTR rose substantially in 1977 from £9.9m to £16m, including a £200,000 earnings contribution from Permal for nine months, but excluding the recently acquired Lanstraff of Switzerland.

As forecast at the time of last July's rights issue, the net total dividend is raised from 3.31p to 6.3p per share with a 4.23p final. Treasury consent has been given. A one-for-ten scrip issue is also proposed.

Stated earnings per share, adjusted for the new issue are 18.6p (12.6p). Sales for 1977 rose to £131.8m, from £110.5m, and the directors say sales and orders for first two months of 1978 have been at levels which indicate that the recovery in European and overseas economies is under way and that of the U.K. may be at hand.

Year	1977	1976
Sales	131.8	110.5
Operating profit	16.0	9.9
Profit before tax	15.0	9.9
Profit after tax	14.0	9.0
Dividend	6.3	3.3
Reserves	10.0	6.0
Share capital	7.0	4.0
Attributable	6.2	4.0

Being an international company, the scatter of the group's work interests across a wide range of opportunities for increasing business activities and much shelter in the spread of the risks, the directors point out. As a result of the rights issue, earnings retention and working capital controls, the 1977 balance-sheet will demonstrate ample strength for further expansion.

The group has interests in reinforced plastics, extrusions, etc., engineering, belting, steel fabrication, etc.

#### comment

BTR is £16m. ahead pre-tax with the U.K. contributing £2m. of the growth overseas £14m. and Permal something like £100,000. Rand devaluation has made for a small net loss on currency swings (which will be taken through the balance sheet anyway) and the key to the year is a straightforward volume growth, both at home and overseas. But margins in the second half widened usefully. This year the group has stayed impressive, and BTR could well emerge with pre-tax profits around £21m., helped by an extra £0.5m. or so from acquisitions. At 186p the share yield is 3.4 per cent, which is covered 2.8 times by earnings on average capital; and August's rights issue has pushed end-1977 net borrowings down under half of shareholders' funds.

#### Profits down at Reed Consolidated

Sales for 1977 of Reed Consolidated Industries, an Australian subsidiary of Reed International, were 3 per cent. higher at \$A174m. but profit after tax and minorities was \$3.49m.—down 44 per cent. in 1976.

Profit attributable to shareholders was more than halved to \$0.53m. against \$0.41m. after extraordinary losses of \$458,000 (\$243,000 credit). Also included in an extraordinary loss of \$0.28m. resulting from devaluation of the New Zealand dollar. A final dividend of 4.5 cents a share makes a same-again total of 9 cents.

#### Brasilvest S.A.

Net asset value as at March 1976  
per Cr\$ Share: Cr\$10-175  
per Depository Share:  
U.S. \$9.943-85

#### THE UNITED STATES AND GENERAL TRUST CORPORATION, LIMITED

The Eighty-sixth Annual General Meeting of The United States and General Trust Corporation, Limited was held on March 10 in London, Mr. M. F. Berry (the Chairman) presiding.

The following is an extract from the Report of the Directors which has been circulated to Shareholders:

It will be remembered that Mr. John Bevan left a serious gap on our Board when he retired on 12th March, 1977, having given the Company most valuable help over no less than 27 years. However, this loss has been remedied by the election of Mr. David Gault, who brings to our meetings the benefit of his experience in shipping and insurance.

The Report for the year ended 31st December, 1977 presents a happier position than did its predecessor, issued a year ago. At that time prices on the London Stock Exchange had reached a very low point indeed, reflecting a loss of confidence in the future of industrial profits, owing to the very rapid inflation of costs. Only a few weeks later, a very sharp rise in share prices took place and in general this rise in prices has continued throughout the year 1977.

Perhaps even more important is the revenue aspect. The figure for gross revenue shown in these Accounts amounts to £852,454 against £781,774 a year ago. This reflects a substantial number of dividend increases and, in addition, the revenue from the U.S.A. has been helped by the fall in the Dollar exchange rate. The earnings per share for 1977 amount to 5.29p net against 4.97p for the year to 31st December, 1976. Your Directors now recommend a final dividend of 2.89p which, together with the interim of 1.4p makes a total for the year of 4.29p per share, against 3.95p for 1976.

The welcome recovery in share prices means that the value of the total net assets of the Company has increased from £10,634,558 to £18,654,491 a rise of 75.4 per cent. Over the same period, the FT Actuaries All Share Index has risen by 136.3 per cent, but of course a very substantial part of the Company's funds is in the U.S.A., where the rise in the Dow Jones industrial index, adjusted for variations in the exchange rate and the Dollar premium, was much less, at 53.2 per cent. The net asset value of each Ordinary Share has risen from 104p to 103p.

In 1974, the proportion of the funds of the Company in the U.S.A. (at market value) rose from 27.9 per cent. to 44.8 per cent, mainly because the U.K. funds had declined so heavily in value. During the last year this movement has been reversed, the proportion in the U.K. has risen from 43 per cent. to 64.3 per cent, and that in the U.S.A. has dropped from 44.8 per cent. to 35.9 per cent. Again, this reflects no change in policy but only the variation in the market values in the U.K. and the U.S.A.

Owing to the very rapid pace of inflation and the world wide economic recession, industrial companies in the U.K. have naturally found it difficult to improve profits during 1977. In the U.S.A., the economy has been slow to recover but the signs there are certainly more encouraging. Prospects for your Company for 1978 depend partly on a recovery in world trade and very largely on the success of government policies to hold down costs. However, a number of important companies in which we have investments have already given indications of their dividend policy for 1978, and your Directors feel that the dividend now recommended can be maintained for the current year.

#### INDEX TO COMPANY HIGHLIGHTS

Company	Page Col.	Company	Page Col.
A.A.H.	20	Imry Property	20 3
Bell (W. W.)	20	Mann & Overton	20 3
Bath & Portland	21	Mining News	22 6
Bids and Deals	22	Mixconcrete	20 6
BTR	20	Montfort Knitting	20 3
Carroll (P. J.)	21	Oldham Estate	20 4
Cement-Roadstone	20	Pratt (F.) Engrs.	21 4
Cornercroft	21	Reed Consolidated	20 1
Courage	21	Rank Xerox	20 3
Debuture Corp.	20	Steeley	21 3
Hunt & Moscrop	20	Tavener Rutledge	20 5

#### Hunt and Moscrop increase

ON REDUCED turnover of £326m, against £308m, pre-tax profits of industrial machinery manufacturers Hunt and Moscrop (Middleton), rose from £348,000 to £434,000 in the six months to December 31, 1977.

The interim dividend is effectively lifted from 0.196374p to 0.216362p net per 5p share. Last year's total was equal to 0.4186p paid from pre-tax profits of £743,658.

After U.K. tax of £100,000 (£136,500), overseas tax of £24,000 (£18,500) and minorities of £3,000 (£17,000), the retained balance is £112,991 to £175,890.

#### comment

Completion of contracts with industrial protection clauses was the main factor behind Hunt and Moscrop's 31 per cent. mid-term pre-tax profit growth in a period when turnover was 7.4 per cent. lower. On a comparative basis, margins improved 2.5 points to 8.8 per cent. A boost was provided by Hunt-West which had a small profit against losses previously; this subsidiary is expected to make further headway in the second half. Of the group's six divisions, heat exchangers remained the strongest, contributing over 30 per cent. of group turnover and profit while the rest had a comparatively thin time, particularly in April and May. But orders are beginning to pick up again with the paper and textile machinery divisions benefiting from some recovery in demand. This, however, will only bear fruit in the next financial year. Still, given the improvement in margins and the backlog of orders, a profit of about £400,000 can be expected for the current year. At 131p, the shares are selling on a prospective p/e of 7.1 and a yield of 4.7 per cent. covered, four times.

#### W. W. Ball ready for upturn

Much solid groundwork has been achieved at W. W. Ball and Sons that will show substantially in holders' advantage in the future, reports Mr. J. E. Ball, chairman, in his annual statement. Increased benefits, he says, will continue to flow from the development of the company's own range of products and the directors confidently look forward to sustained growth in profit when the national malaise is behind us.

As known profit for the year ended September 30, 1977, was virtually unchanged at £47,000 (£47,553) and the dividend is raised from 1.402p to 1.496p net. Together with Ball Displays, County Pressings and Engineering, the new acquisition, suffered losses of about £20,000—very vigorous action has been taken and it is hoped to restore these companies to profitability during the current year, says Mr. Ball.

#### Second half uplift at Montfort

After being down from £121,233 to £92,400 in the first six months, Montfort (Knitting Mills) finished 1977 with higher profits of £238,244 against £234,553 before tax of £137,141 (£132,294).

The net final dividend is again 2.125p making an unchanged total of 2.875p. Stated earnings per share are up from 4.366p to 4.368p.

Turnover for the year, including exports of £771,993 (£623,710) was up from £3,79m. to £3,67m.

Year	1977	1976
Turnover	3,670	3,790
Profit before tax	238,244	234,553
Taxation	121,111	122,243
Net profit	117,133	112,310
Extraordinary items	1,861	1,861
Retained	36,654	31,231

Balance of acquisition cost.

#### First half jump for Imry Prop.

A SUBSTANTIAL advance from £17,300 to £108,831 in profit for the half year to September 30, 1977 is announced by Imry Property Holdings, after tax of £30,218, against £34,300. No account has been taken of any currency losses on exchange in respect of the Brussels property. Once again there is no interim dividend, but the directors consider that a final will be given later in the year when the overall position will be known—last year a 0.3p net payment was made.

Outstanding in respect of properties in the course of development, less tax relief, are to be charged to the profit and loss account against accumulated profits of £118,273 (£248,000).

During the half-year the Brussels property was treated as under development and interest on development properties was treated as a charge against accumulated retained profits. As this property will cease to be under development in the second half, the directors will be charged against profit for the year.

This, together with the commencement of head rent payments on the Houndsditch development during the latter half, will make a substantial adverse impact on results for the whole year.

#### Better sales at Mann & Overton

Sales of taxicab specialists, Mann and Overton, have been consistently better during the first four months of the current year than during the corresponding period last year, the chairman, Mr. R. C. H. Overton says in his annual report.

The chairman says that to combat resistance to price increases during the year ended October 31, 1977, the group

#### Rank Xerox will resume growth in 1977-78

BY ROY LEVINE

Rank Xerox is aiming for a marginal increase in profits for the year to October 31, 1978, according to Mr. Mal Thomas, chairman and chief executive. The company should resume its normal growth rate in two years' time, he said in an interview in London yesterday.

Mr. Thomas said there were enough new products and untapped markets to ensure a resumption of former growth rates by 1977-78.

The most important of the new products was the Xerox 9200 duplicating system which brought the company into the offset duplicating market for the first time. This was launched in the U.K., France and Germany towards the end of last year and Mr. Thomas expected that over 1,000 placements would be made in this financial year. But it would take up to 18 months before the new product started earning profits.

By 1978 the 9200 could be contributing about £15m. in revenues or somewhat over 20 per cent. of Rank Xerox's total revenues. It was possible, he added, that the machine would account for half total revenues by the time it was at its maximum sales volume in the mid-1980s.

Other important new products were the Xerox 800 electronic typewriter (which was expected

reduced its profit margins and the increased turnover of £4.54m. (£4.22m.) was sufficient to achieve profit figures similar to the previous year, nearly as makes no difference.

As reported on February 6, profits before tax were £31,266 against £349,600 with a dividend of 3.11p (2.92p) net.

#### Peak year seen by A.A.H.

TAXABLE profit of A.A.H. distributors and general engineers, improved from £2,53m. to £3.2m. in the nine months to end December, 1977 and chairman Mr. W. M. Pybus expects the full year result to exceed last year's record £4.15m.

The net interim dividend is stepped up from 3.957p to 4.32p and the directors forecast a maximum permitted final of 4.73275p, compared with 4.32002p.

The 1977 nine-month results included losses of £73,000 incurred by United Carbon, Black and Southdown Hatcheries, both sold as at March 31, 1977.

Year	1977	1976
Turnover	124,921	124,110
Interest charges	2,044	2,854
Profit before tax	3,141	1,254
Tax	1,421	1,754
Net profit	1,720	499
Attributable	1,720	499

There were increased contributions from the solid fuel and oil distribution activities where the adverse effects of inflation in the energy sector were outweighed by benefits from stock appreciation and acquisitions of some small businesses.

Range of activities in the current year are "considerably reduced" but are well equipped to take advantage of the opportunities in the months ahead. The company moves out of the current recession.

Builders' supplies, agricultural and other activities have more than held their own and "can be expected to continue to do so in the final quarter".

The weather in the final quarter had an adverse effect on the fuel trade. Price increases in domestic solid fuel effective April 1 can be expected to lead in anticipatory purchasing by customers which should assist profits, Mr. Pybus adds.

#### comment

The absence of exceptional low margin haulage work during the current year has restricted A.A.H.'s nine month sales growth to just 3 per cent, but improved contributions elsewhere, particularly from solid fuel, oil and building materials, have pushed up pre-tax profits by 16 per cent. Oil turnover has dropped during the period but a recent price increase has produced some stock profits. Solid fuel and building supplies both had marginal increases in sales volume; the latter was helped by the resilience of the DIY market as well as by its connections with the North Sea construction boom. The main benefit of the oil price increase must be seen in the final three months of the year, and with sales volume generally at a low level the chances of a slowdown in overall profits for the immediate future is still slim. However, a full year total of around £4.5m. pre-tax is probably still within reach and that would cover a maximum dividend, yielding 7.7 per cent. at 186p, almost 3 times.

#### Debuture Corporation well placed

Sir Archibald Forbes, chairman of The Debuture Corporation, tells members that while the outlook for the immediate future is still beset with major problems, investments are well spread in sectors with immediate growth factors and with an emphasis on stronger economies than in the U.K. They should share in any upturn, he says.

As reported on February 13, with asset values net revenue for 1977 was steady at £734,989 against £783,820 with a net total dividend of 2.45p (2.30p).

To reduce disparity, the directors propose to declare a larger interim dividend this year—the increased payment should not be taken as implying a higher total, they say.

#### Rank Xerox will resume growth in 1977-78

BY ROY LEVINE

Rank Xerox is aiming for a marginal increase in profits for the year to October 31, 1978, according to Mr. Mal Thomas, chairman and chief executive. The company should resume its normal growth rate in two years' time, he said in an interview in London yesterday.

Mr. Thomas said there were enough new products and untapped markets to ensure a resumption of former growth rates by 1977-78.

The most important of the new products was the Xerox 9200 duplicating system which brought the company into the offset duplicating market for the first time. This was launched in the U.K., France and Germany towards the end of last year and Mr. Thomas expected that over 1,000 placements would be made in this financial year. But it would take up to 18 months before the new product started earning profits.

By 1978 the 9200 could be contributing about £15m. in revenues or somewhat over 20 per cent. of Rank Xerox's total revenues. It was possible, he added, that the machine would account for half total revenues by the time it was at its maximum sales volume in the mid-1980s.

Other important new products were the Xerox 800 electronic typewriter (which was expected

## ISSUE NEWS AND COMMENT

## Cement-Roadstone raising £8.15m.

Cement-Roadstone, Ireland's So C-R is off to a good start this year, while the rights proceeds will be used to finance some "attractive" projects. These have not yet been disclosed but a mixture of acquisitions and new developments are under review in areas such as the Middle East, as well as in Ireland and the U.K.

The directors state that the group's largest project, the extension of the Platin cement plant at an estimated cost of some £40m., remains on target both physically and financially. The group has a large cash flow and substantial assets, facilities available. Nonetheless, even though the stated ratio of debt to shareholders' funds was lower at 38.7 per cent. last December against 42.4 per cent. in 1974, they believe it right for the group to broaden its equity base in order to take advantage as they may arise. The group is currently examining a number of projects both at home and abroad.

During 1977 sales increased by 18.2 per cent. to £91.54m. and net profits are 27.3 per cent. higher at £3.42m. Earnings are up from 1.18p per share to 3.91p and the final dividend is 2.31p per share for a total of 5.5p (4.73p).

Year	1977	1976
External sales	91,539	77,411
Trading profit	3,420	1,937
Interest charges	1,978	2,779
Associated charges	211	147
Profit before tax	1,231	1,011
Taxation	524	824
Profit after tax	707	187
Dividend	2,310	1,180
Attributable	707	187

The directors report that the profit was better than could have been predicted at the interim stage when the pre-tax level was 1.8 per cent. down at £4.28m. For the current year they indicate that the overall trading experience has been satisfactory, but it is too early to make any positive predictions. However, in the absence of unforeseen circumstances the dividend for this year will be at least equal to 3.5p.

The rights issue will also be available to holders of the convertible stock in the proportion of 15 new Ordinary shares for every 100 convertible shares held.

The issue is underwritten by the Investment Bank of Ireland and S. G. Warburton and Co. Brokers are Bruce and Pittman Hunt Brown and Dudgeon.

#### comment

An improving sales trend in the second half at Cement Roadstone—full year tonnage was down only 8.5 per cent. after a 13.9 per cent. drop at the interim stage—has produced a better than forecast year. This year's activity remains generally depressed, but concrete block and agricultural lime stone sales are both improving and there is a 13.3 per cent. on current price rise from January, 1977.

The issue is underwritten by the Investment Bank of Ireland and S. G. Warburton and Co. Brokers are Bruce and Pittman Hunt Brown and Dudgeon.

#### Tavener Rutledge jumps by 53%—£0.3m rights

IN ADDITION to turning in profits ahead by 53 per cent. to £380,163 for 1977 Tavener Rutledge, the Liverpool-based confectionery group, announces plans to raise £300,000 by way of a one-for-four rights issue at 80p per share.

At the interim stage—when the share price was £14.87 to £13.10—were reported—the chairman, Mr. Anthony Hyde repeated his forecast that the year's profit would be on the safe side of £200,000, but said that if home sales picked up this could be conservative.

The net dividend is being raised from 3.76875p to 4.021875p, with a final of 2.396875p. Barring unforeseen circumstances the directors expect to recommend a total of 3.2p net for 1978 on the increased capital. This would be equal to 8p gross, an increase of nearly 30 per cent. on the 1976 figure, for which Treasury consent has been given.

Commenting on the issue the directors say that they believe the additional capital will facilitate the continued expansion of the group. It will also widen the capital base and increase the potential for borrowings. The proceeds will assist the company to complete its £1.2m. expansion and modernisation programme and will provide additional working capital required for expanding the business.

Despite heavy capital expenditure during the year of £416,000 on expansion and modernisation, the company was able to reduce its bank overdraft by over £300,000 to £284,000.

In his statement with the full accounts Mr. Hyde says the profit increase accompanied by a very healthy cash flow has transformed the balance sheet "and put us in a strong position to undertake further expansion."

"Internal growth," he adds, "essential as it is, is not the only way for us to progress. We now have the size and strength to merge with or acquire a substantial company complementary to our own, so that we can embrace as a considerable factor in our industry, which is highly fragmented."

Mr. Hyde reaffirms the company's stated policy of 20 per cent. annual growth in profits.

Year	1977	1976
Turnover	4,622,156	3,761,333
Trading profit	371,323	246,683
Interest charges	1,553	1,481
Profit before tax	369,770	245,202
Tax	167,127	120,888
Profit after tax	202,643	124,314
Attributable	202,643	124,314
Retained	137,121	21,965

The Board is recommending an increase in the authorised capital from £500,000 to £800,000 by the creation of 500,000 Ordinary shares and is proposing an increase from 7 to 12 in the number of directors.

The rights issue (which involves 405,734 new shares) will apply to holders registered February 20 and is payable in full on acceptance—not later than April 13 (3 p.m.). Deeds will commence on March 15. The issue has been underwritten by Samuel



Sir David Nicolson, chairman, BTR.

#### DIVIDENDS ANNOUNCED

Company	Date of payment	Current payment	Corresponding dividend	Total dividend
A.A.H.	April 9	4.33	3.96	8.29
Anglo American Invest.	April 30	210(c)	105	315
BTR	May 9	3.35	1.45	4.80
P. J. Carroll & Co.	April 9	3.5(b)	2.73	6.23
Cement Roadstone	April 29	3.23(b)	2.8	6.03
Hunt & Moscrop	May 23	0.23	0.24	0.47
London & Stratheide	May 21	0.44	0.44	0.88
Mixconcrete	May 1	1.34	1.13	2.47
Montfort (Knitting Mills)	—	—	2.18	2.18
Steeley	April 13	3.25	2.37	5.62
Tavener Rutledge	—	2.39	2.54	4.93

Dividends shown pence per share net except where otherwise stated. \* Equivalent after allowing for scrip issue. (c) Increased by rights and/or acquisition issues. (a) Max. limited 4.78275p net forecast. (b) Gross. (c) South Africa. (d) 15 months to March 31, 1978.

#### F. Pratt Engineer Corporation Limited

The 79th Annual General Meeting was held on 10th March. Mr. A. M. G. Galliers-Pratt is Chairman.

SALES: £14,95m. Direct and indirect exports estimated at about 50%.

PROFIT: £1,348m.—an increase of 27% over the 1974 level.

DIVIDENDS: The total distribution for the year is £206.3 is the maximum permitted and is 25% of the net available.







## NOTICE OF REDEMPTION

To the Holders of

## ENTE NAZIONALE IDROCARBURI

E.N.I.

(National Hydrocarbons Authority)

7½ Sinking Fund Debentures due October 1, 1981

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Sinking Fund for the Debentures of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected by lot for redemption on April 1, 1976 at the principal amount thereof \$1,273,000 principal amount of said Debentures bearing the following serial numbers:

## DEBENTURES OF U.S. \$1,000 EACH

1115	1745	4545	6478	8548	11155	13455	16128	17945	20711	23498	26278	29054	31828	34604	37378	40154	42928	45704	48478	51254	54028	56804	59578	62354	65128	67904	70678	73454	76228	79004	81778	84554	87328	90104	92878	95654	98428	101204	103978	106754	109528	112304	115078	117854	120628	123404	126178	128954	131728	134504	137278	140054	142828	145604	148378	151154	153928	156704	159478	162254	165028	167804	170578	173354	176128	178904	181678	184454	187228	190004	192778	195554	198328	201104	203878	206654	209428	212204	214978	217754	220528	223304	226078	228854	231628	234404	237178	239954	242728	245504	248278	251054	253828	256604	259378	262154	264928	267704	270478	273254	276028	278804	281578	284354	287128	289904	292678	295454	298228	301004	303778	306554	309328	312104	314878	317654	320428	323204	325978	328754	331528	334304	337078	339854	342628	345404	348178	350954	353728	356504	359278	362054	364828	367604	370378	373154	375928	378704	381478	384254	387028	389804	392578	395354	398128	400904	403678	406454	409228	412004	414778	417554	420328	423104	425878	428654	431428	434204	436978	439754	442528	445304	448078	450854	453628	456404	459178	461954	464728	467504	470278	473054	475828	478604	481378	484154	486928	489704	492478	495254	498028	500804	503578	506354	509128	511904	514678	517454	520228	523004	525778	528554	531328	534104	536878	539654	542428	545204	547978	550754	553528	556304	559078	561854	564628	567404	570178	572954	575728	578504	581278	584054	586828	589604	592378	595154	597928	600704	603478	606254	609028	611804	614578	617354	620128	622904	625678	628454	631228	634004	636778	639554	642328	645104	647878	650654	653428	656204	658978	661754	664528	667304	670078	672854	675628	678404	681178	683954	686728	689504	692278	695054	697828	700604	703378	706154	708928	711704	714478	717254	720028	722804	725578	728354	731128	733904	736678	739454	742228	745004	747778	750554	753328	756104	758878	761654	764428	767204	769978	772754	775528	778304	781078	783854	786628	789404	792178	794954	797728	800504	803278	806054	808828	811604	814378	817154	819928	822704	825478	828254	831028	833804	836578	839354	842128	844904	847678	850454	853228	856004	858778	861554	864328	867104	869878	872654	875428	878204	880978	883754	886528	889304	892078	894854	897628	900404	903178	905954	908728	911504	914278	917054	919828	922604	925378	928154	930928	933704	936478	939254	942028	944804	947578	950354	953128	955904	958678	961454	964228	967004	969778	972554	975328	978104	980878	983654	986428	989204	991978	994754	997528	1000000
------	------	------	------	------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	---------

On April 1, 1976, there will become due and payable upon each Debenture the principal amount thereof, in such coin or currency of the United States of America as on said date is legal tender for the payment thereof of public and private debt, at the option of the holder, either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N.Y. 10015, or (b) subject to any laws and regulations applicable thereto with respect to the payment, currency of payment or otherwise in the country of any of the following offices, at the principal office of Banca Nazionale del Lavoro in Rome or the principal office of Banca Commerciale Italiana in Milan or the main office of Morgan Guaranty Trust Company of New York in London, Brussels, Paris or Frankfurt or the main office of Allgemeine Bank Nederland N.V. in Amsterdam or the main office of Kredietbank S.A. in Luxembourg or the main office of the National Bank of Belgium in Brussels. Debentures surrendered for redemption should have attached all unexpired coupons appurtenant thereto. Coupons due April 1, 1976 should be detached and collected in the usual manner.

From and after April 1, 1976 interest shall cease to accrue on the Debentures herein designated for redemption.

ENTE NAZIONALE IDROCARBURI  
By: MORGAN GUARANTY TRUST COMPANY  
OF NEW YORK, Fiscal Agent

## NOTICE

The following Debentures previously called for redemption have not as yet been presented for payment:

## DEBENTURES OF U.S. \$1,000 EACH

11 10428 10445 11432 13036 13038 13124 13125 13126 13127 13128 13129 13130 13131 13132 13133 13134 13135 13136 13137 13138 13139 13140 13141 13142 13143 13144 13145 13146 13147 13148 13149 13150 13151 13152 13153 13154 13155 13156 13157 13158 13159 13160 13161 13162 13163 13164 13165 13166 13167 13168 13169 13170 13171 13172 13173 13174 13175 13176 13177 13178 13179 13180 13181 13182 13183 13184 13185 13186 13187 13188 13189 13190 13191 13192 13193 13194 13195 13196 13197 13198 13199 13200 13201 13202 13203 13204 13205 13206 13207 13208 13209 13210 13211 13212 13213 13214 13215 13216 13217 13218 13219 13220 13221 13222 13223 13224 13225 13226 13227 13228 13229 13230 13231 13232 13233 13234 13235 13236 13237 13238 13239 13240 13241 13242 13243 13244 13245 13246 13247 13248 13249 13250 13251 13252 13253 13254 13255 13256 13257 13258 13259 13260 13261 13262 13263 13264 13265 13266 13267 13268 13269 13270 13271 13272 13273 13274 13275 13276 13277 13278 13279 13280 13281 13282 13283 13284 13285 13286 13287 13288 13289 13290 13291 13292 13293 13294 13295 13296 13297 13298 13299 13300 13301 13302 13303 13304 13305 13306 13307 13308 13309 13310 13311 13312 13313 13314 13315 13316 13317 13318 13319 13320 13321 13322 13323 13324 13325 13326 13327 13328 13329 13330 13331 13332 13333 13334 13335 13336 13337 13338 13339 13340 13341 13342 13343 13344 13345 13346 13347 13348 13349 13350 13351 13352 13353 13354 13355 13356 13357 13358 13359 13360 13361 13362 13363 13364 13365 13366 13367 13368 13369 13370 13371 13372 13373 13374 13375 13376 13377 13378 13379 13380 13381 13382 13383 13384 13385 13386 13387 13388 13389 13390 13391 13392 13393 13394 13395 13396 13397 13398 13399 13400 13401 13402 13403 13404 13405 13406 13407 13408 13409 13410 13411 13412 13413 13414 13415 13416 13417 13418 13419 13420 13421 13422 13423 13424 13425 13426 13427 13428 13429 13430 13431 13432 13433 13434 13435 13436 13437 13438 13439 13440 13441 13442 13443 13444 13445 13446 13447 13448 13449 13450 13451 13452 13453 13454 13455 13456 13457 13458 13459 13460 13461 13462 13463 13464 13465 13466 13467 13468 13469 13470 13471 13472 13473 13474 13475 13476 13477 13478 13479 13480 13481 13482 13483 13484 13485 13486 13487 13488 13489 13490 13491 13492 13493 13494 13495 13496 13497 13498 13499 13500 13501 13502 13503 13504 13505 13506 13507 13508 13509 13510 13511 13512 13513 13514 13515 13516 13517 13518 13519 13520 13521 13522 13523 13524 13525 13526 13527 13528 13529 13530 13531 13532 13533 13534 13535 13536 13537 13538 13539 13540 13541 13542 13543 13544 13545 13546 13547 13548 13549 13550 13551 13552 13553 13554 13555 13556 13557 13558 13559 13560 13561 13562 13563 13564 13565 13566 13567 13568 13569 13570 13571 13572 13573 13574 13575 13576 13577 13578 13579 13580 13581 13582 13583 13584 13585 13586 13587 13588 13589 13590 13591 13592 13593 13594 13595 13596 13597 13598 13599 13600 13601 13602 13603 13604 13605 13606 13607 13608 13609 13610 13611 13612 13613 13614 13615 13616 13617 13618 13619 13620 13621 13622 13623 13624 13625 13626 13627 13628 13629 13630 13631 13632 13633 13634 13635 13636 13637 13638 13639 13640 13641 13642 13643 13644 13645 13646 13647 13648 13649 13650 13651 13652 13653 13654 13655 13656 13657 13658 13659 13660 13661 13662 13663 13664 13665 13666 13667 13668 13669 13670 13671 13672 13673 13674 13675 13676 13677 13678 13679 13680 13681 13682 13683 13684 13685 13686 13687 13688 13689 13690 13691 13692 13693 13694 13695 13696 13697 13698 13699 13700 13701 13702 13703 13704 13705 13706 13707 13708 13709 13710 13711 13712 13713 13714 13715 13716 13717 13718 13719 13720 13721 13722 13723 13724 13725 13726 13727 13728 13729 13730 13731 13732 13733 13734 13735 13736 13737 13738 13739 13740 13741 13742 13743 13744 13745 13746 13747 13748 13749 13750 13751 13752 13753 13754 13755 13756 13757 13758 13759 13760 13761 13762 13763 13764 13765 13766 13767 13768 13769 13770 13771 13772 13773 13774 13775 13776 13777 13778 13779 13780 13781 13782 13783 13784 13785 13786 13787 13788 13789 13790 13791 13792 13793 13794 13795 13796 13797 13798 13799 13800 13801 13802 13803 13804 13805 13806 13807 13808 13809 13810 13811 13812 13813 13814 13815 13816 13817 13818 13819 13820 13821 13822 13823 13824 13825 13826 13827 13828 13829 13830 13831 13832 13833 13834 13835 13836 13837 13838 13839 13840 13841 13842 13843 13844 13845 13846 13847 13848 13849 13850 13851 13852 13853 13854 13855 13856 13857 13858 13859 13860 13861 13862 13863 13864 13865 13866 13867 13868 13869 13870 13871 13872 13873 13874 13875 13876 13877 13878 13879 13880 13881 13882 13883 13884 13885 13886 13887 13888 13889 13890 13891 13892 13893 13894 13895 13896 13897 13898 13899 13900 13901 13902 13903 13904 13905 13906 13907 13908 13909 13910 13911 13912 13913 13914 13915 13916 13917 13918 13919 13920 13921 13922 13923 13924 13925 13926 13927 13928 13929 13930 13931 13932 13933 13934 13935 13936 13937 13938 13939 13940 13941 13942 13943 13944 13945 13946 13947 13948 13949 13950 13951 13952 13953 13954 13955 13956 13957 13958 13959 13960 13961 13962 13963 13964 13965 13966 13967 13968 13969 13970 13971 13972 13973 13974 13975 13976 13977 13978 13979 13980 13981 13982 13983 13984 13985 13986 13987 13988 13989 13990 13991 13992 13993 13994 13995 13996 13997 13998 13999 14000 14001 14002 14003 14004 14005 14006 14007 14008 14009 14010 14011 14012 14013 14014 14015 14016 14017 14018 14019 14020 14021 14022 14023 14024 14025 14026 14027 14028 14029 14030 14031 14032 14033 14034 14035 14036 14037 14038 14039 14040 14041 14042 14043 14044 14045 14046 14047 14048 14049 14050 14051 14052 14053 14054 14055 14056 14057 14058 14059 14060 14061 14062 14063 14064 14065 14066 14067 14068 14069 14070 14071 14072 14073 14074 14075 14076 14077 14078 14079 14080 14081 14082 14083 14084 14085 14086 14087 14088 14089 14090 14091 14092 14093 14094 14095 14096 14097 14098 14099 14100 14101 14102 14103 14104 14105 14106 14107 14108 14109 14110 14111 14112 14113 14114 14115 14116 14117 14118 14119 14120 14121 14122 14123 14124 14125 14126 14127 14128 14129 14130 14131 14132 14133 14134 14135 14136 14137 14138 14139 14140 14141 14142 14143 14144 14145 14146 14147 14148 14149 14150 14151 14152 14153 14154 14155 14156 14157 14158 14159 14160 14161 14162 14163 14164 14165 14166 14167 14168 14169 14170 14171 14172 14173 14174 14175 14176 14177 14178 14179 14180 14181 14182 14183 14184 14185 14186 14187 14188 14189 14190 14191 14192 14193 14194 14195 14196 14197 14198 14199 14200 14201 14202 14203 14204 14205 14206 14207 14208 14209 14210 14211 14212 14213 14214 14215 14216 14217 14218 14219 14220 14221 14222 14223 14224 14225 14226 14227 14228 14229 14230 14231 14232 14233 14234 14235 14236 14237 14238 14239 14240 14241 14242 14243 14244 14245 14246 14247 14248 14249 14250 14251 14252 14253 14254 14255 14256 14257 14258 14259 14260 14261 14262 14263 14264 14265 14266 14267 14268 14269 14270 14271 14272 14273 14274 14275 14276 14277 14278 14279 14280 14281 14282 14283 14284 14285 14286 14287 14288 14289 14290 14291 14292 14293 14294 14295 14296 14297 14298 14299 14300 14301 14302 14303 14304 14305 14306 14307 14308 14309 14310 14311 14312 14313 14314 14315 14316 14317 14318 14319 14320 14321 14322 14323 14324 14325 14326 14327 14328 14329 14330 14331 14332 14333 14334 14335 14336 14337 14338 14339 14340







## FINANCIAL TIMES REPORT

Thursday March 11 1976

## PLANT HIRE

While most sectors of the economy have been in the doldrums over the last year, plant hirers are turning in good profits. However, the question to be answered is whether the industry has developed sufficiently to ride out the reduced level of activity in the building industry.

## Profits show upward trend

IS PLANT hire recession-proof? To judge by the profit figures being reported by some of the biggest names in the business one might think so. While most sectors of British industry have been in the doldrums for well over a year now as the decline in industrial activity has tightened its grip and the promised upturn has continued to be elusive despite the encouraging signs from such things as the Confederation of British Industry's Trends survey, plant hirers have still continued not only to make money but to make more money than ever before.

Take Hewden-Stuart Plant, for example. This once largely Scottish group which is now one of the biggest in the U.K. notched up a 25 per cent. profit rise in the six months to the end of August compared with a year before at £1.59m. on a turnover of £16m. (up £4m.). Richards and Wallington, another major

name in the business and one of Britain's biggest crane hirers, recorded a six months pre-tax figure of £1.18m. (before a transfer of £615,000 to tax equalisation) on a turnover of £15.8m. This compares with £1.12m. (with £585,000 to tax equalisation) and £11.8m. respectively.

Nonetheless, the one thing plant hirers cannot afford to be is complacent. The industry is still mindful of events a decade ago when, with the construction industry, the hirers' biggest customer, severely depressed, the hire industry appeared to be doing very well indeed—until the bubble burst.

For, by its very nature, plant hire always does do well, relatively speaking, when recession sets in elsewhere. The reason lies in the service the industry provides. Basically, it exists to save its customers' money: construction and civil engineering companies with their own specialist plant are frequently unable to utilise it to the full. One particular piece of equipment may be needed for one contract, and then stand idle until a similar job arises. The hirer, by contrast, can keep his equipment operating to the optimum, moving it from job to job—and customer to customer—as and when it is required rather than leaving it to depreciate while standing expensively idle. Not only is the plant kept active throughout its working life, it is better maintained—because hire companies are in the plant business and able to afford the expertise needed for proper maintenance, while plant users are in the civil

engineering (or whatever) business and have other priorities—and may thus have a longer working life.

It is because of this obvious cost-saving potential that plant hire has seen the rapid growth it has. At the end of the last century, there may have been specialist steam-roller contracting companies, for example, but plant hire as it is today has a history which goes back not much further than the early 1930s. Fifteen years ago, even, the hirers' combined annual turnover was only around the £15m. mark; today the 2,000 or so companies in the industry do nearer £450m. worth of business a year between them.

It would, nonetheless, be a mistake to overemphasise the importance of the hirers—the fleets of the biggest of them are still a good deal smaller than those of the major civil engineering and construction companies. Indeed, there is a not insignificant number of construction companies with flourishing hire subsidiaries of their own. And, again, there are not that many large hire companies, nor many, if any at all, whose sphere of operations can yet be said to be really national.

## Squeezed

Behind the rapid growth lies, among other things, the simple fact that the more builders' cash flow is squeezed the more they turn to hirers, looking to them to save them the cost of investing in expensive plant themselves. Obviously, this applies particularly during a depression.

And yet, there is a catch. For what also has tended to happen is a big increase in the level of competition in what is in any case a highly competitive industry, with new companies, attracted by the apparent success of one particular sector during general hard times, entering the fray and others, basically construction companies, running out of building orders and attempting to hire out the surplus plant for which they have no use themselves.

It is, a bubble that has to burst some time. For, at the end of the day, the reduction in building orders has to work its way through to the hirers; even if there is a time lag which may provide a valuable breathing space. Last time around, as hire rates became depressed thanks to the increase in competition, there was quite a number of casualties when the end came.

Will it happen again? Already, as is clear from those company results quoted earlier, there are signs of problems. Turnover may have kept on growing, but profits, though up too, have not kept pace—the profits increases have been significantly less than the general advance in the level of business.

pure plant hire and into related businesses.

Undoubtedly the major event of the past 12 months was the acquisition of a majority stake in A. Gunn (Holdings) by Hewden-Stuart Plant, already one of Britain's largest and most successful organisations in the industry. This followed hard on the heels of two other purchases by H-S.

Early last April H-S bought for about £650,000 the plant hire assets of the Ruston Parva Group. The plant hire fleets, based in the North East, were valued by H-S at £580,000 and nearly all the items involved were bought (at the cost of more than £1m.) between 1973 and 1975. H-S says the replacement cost is more than £1.8m. The purchase allowed H-S to increase and modernise its fleets in the North East and to dispose of a number of older machines.

Let it in April the group was based in the North East, this time the major companies seem to be paying £880,000 for Sandy be making to spread their own Gilmour (Plant), a Glasgow-based hire company. Again, this

And this, particularly at a time of rapid inflation with plant replacement costs going up fast, could spell trouble.

None the less, it is undoubtedly true that the industry is better organised now than it was last time around; it may still be youthful but it is probably fair to say that it has at last come of age. Having been through severe difficulties in the recent past, many companies within it—particularly those at the top of the tree—have learned most of the necessary lessons and, basically, have been adopting a more professional approach to the problems of costing and so on which are so important at a time of heavy competition and a severe inflation. There has also been a significant amount of diversification—not necessarily into other businesses, though some hirers have also got substantial plant sales operations (and industrial conglomerates, perhaps the prime example, have been making significant moves into plant hire and using it, to an extent, to bolster up these sides of their business not doing so well at the moment) but into various different sectors of the hire game.

What also makes the omens look brighter this time is that the influx of newcomers to the business has before now, not appeared to have happened, at least on anything like the same scale. Competition has intensified, inevitably, but the companies providing the competition have tended to be the well-established ones.

None the less, in this sort of situation, the hirers do to a significant extent have to rely on guesswork. The future trend in inflation rates, for example, is something that one would have to be pretty rash to forecast with any certainty. Yet, when it comes to fixing hire rates and to determining an equipment replacement policy, this is something on which the hirer has to take a view. Likewise when it comes to determining plant life, for obvious reasons the current trend is to keep plant for longer than in the past and this involves a fair amount of unknowns, such as when it comes to gauging likely future maintenance costs and eventual disposal prices.

One of the oldest clichés in the book is to say that only time will tell, but this remains a truism when it comes to the question of whether the hirers have got their sums right. To-day, a good deal depends on whether they have. Somewhere around 40,000 jobs are directly involved, with a good deal more when the loyal of employment in the plant manufacturing companies is taken into account. For the hirers have become their biggest customers, accounting for perhaps 70 per cent. of the purchases of construction equipment marketed in the U.K.

So the industry is very much here to stay. Whether all the companies now operating within it are here to stay, too, is, however, a different question. The likely pattern seems to be a

David Walker

**GP PLANT HIRE**

WORKSOP, NOTTS. for MUNICIPAL VEHICLES

Sweepers, Refuse Collectors, Jetting Units, Gulley Suckers

Tel: 0909 3211

London Office: 01 222 5538

## THE REAL THING

When you choose Vibroll® you get more than just a compaction machine. You get a product which dates back to the days when Stothert & Pitt first invented the principle of vibrating roller compaction.

Which means we've had time to iron out bugs and chase perfection.

And it's gratifying to know that we don't have to pat ourselves on the back. You, the Vibroll user have done that for us. In the most convincing way possible.

You've weighed up the field. You've tried the alternatives. And most of you choose Vibroll.

And that's one action that speaks a lot louder than words.

© Vibroll is the Registered Trade Mark of Stothert & Pitt

**TRUST VIBROLL, OFTEN IMITATED BUT NEVER EQUALLED**



Compaction Plant Group  
Stothert & Pitt Limited, PO Box 25, Bath BA2 3DJ  
Telephone Bath (0225) 63401/63401



## Answer 'yes' to any one of these questions and you need a Wang 2200

1. Did you lose plant last year?
2. Do you ever forget to send invoices?
3. Do you wish you could find out about bad payees sooner?
4. Does plant never come back that you didn't know you'd rented out?
5. Would you like to know which time makes most profit?
6. Would you like to know exactly where any plant is in seconds?
7. Do you want a system that tells you all that—and will pay for itself in the first year?

The Wang 2200 mini-computer not only handles routine accounting functions, it gives vital management information on your stock costs and customers, displayed instantly on the video screen or on a high speed printer.

The Wang 2200 needs no specially trained operator—and no special environment. By increasing efficiency, the Wang 2200 will pay for itself within a year.

If you're thinking computers—think Wang

Find out more—clip the coupon

NAME \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

TEL. \_\_\_\_\_ EXT. \_\_\_\_\_

**WANG**

Wang Electronics Ltd., 1 Olympic Way, Wembley Park, Middlesex HA9 0TL

## A changing structure

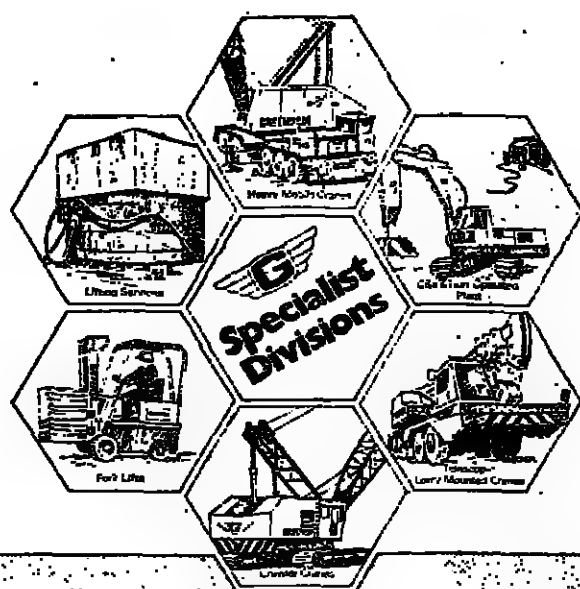
THE PLANT hire industry is relatively new to the U.K. and has hardly penetrated into Continental Europe at all. It is an industry which has very many small operators, 2,000 to 3,000

is one estimate, who mainly provide a useful service in a limited geographical area. Among the larger companies there has been a steady process of growth and rationalisation and not a year goes by without there being one or two significant alterations in the structure of the industry. Taking a broad view, it seems the recent tendency has been for companies with diversified non-plant hire operations to take a plant hire company under their wings, offering a broader and stronger financial base for the plant hire businesses to work from.

Another feature of recent manoeuvres within the industry has been the attempts some of the major companies seem to be making to spread their own Gilmour (Plant), a Glasgow-based hire company. Again, this

pure plant hire and into related businesses. Undoubtedly the major event of the past 12 months was the acquisition of a majority stake in A. Gunn (Holdings) by Hewden-Stuart Plant, already one of Britain's largest and most successful organisations in the industry. This followed hard on the heels of two other purchases by H-S.

Continued on next page



**Divisions:**  
Crawler Cranes - Heavy Mobile Cranes  
Telescopic Lorry Mounted Cranes  
Civil and Non Operated Plant - Fork Lifts  
Lifting Services

For further information contact:  
**Greenham Plant Hire Ltd.**  
GREENHAM HOUSE, LONDON ROAD, ISLEWORTH, MIDDLESEX TW7 4EX  
Telephone: 01-568 8971 Telex: 535075

**Greenham mean business.**



**HEAD OFFICE**  
54r House, Mutton Lane, Potters Bar, Herts.  
**Potters Bar 51266**

**NORTH LONDON DEPOT**  
34/36 Canon Hill  
Southgate, London N14 6LS  
**01-886 0102 & 01-882 3757** (10 lines)

**SURREY/SOUTH LONDON DEPOT**  
57 Brighton Road  
Croydon, Surrey CR2 8ED  
**01-681 0671** (10 lines)

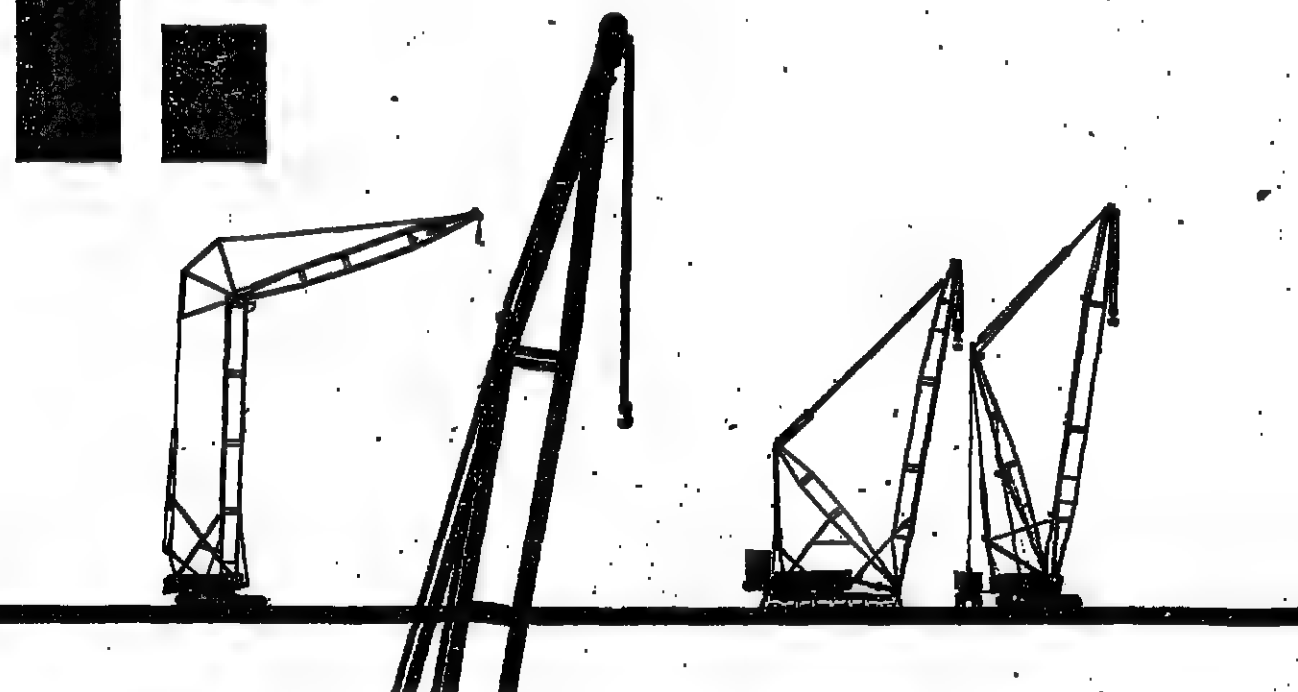
**SOUTHAMPTON DEPOT**  
28 Winchester Road  
Southampton, SO9 6GY  
**Southampton 77051** (10 lines)

**NORTHAMPTON DEPOT**  
66/68 High Street  
Kingshott, Northampton  
**Northampton 74444** (10 lines)

**MANCHESTER DEPOT**  
571 Eccles New Road  
Salford, Manchester  
**061-736 8053** (10 lines)

**M&J ENGINEERS LTD.**

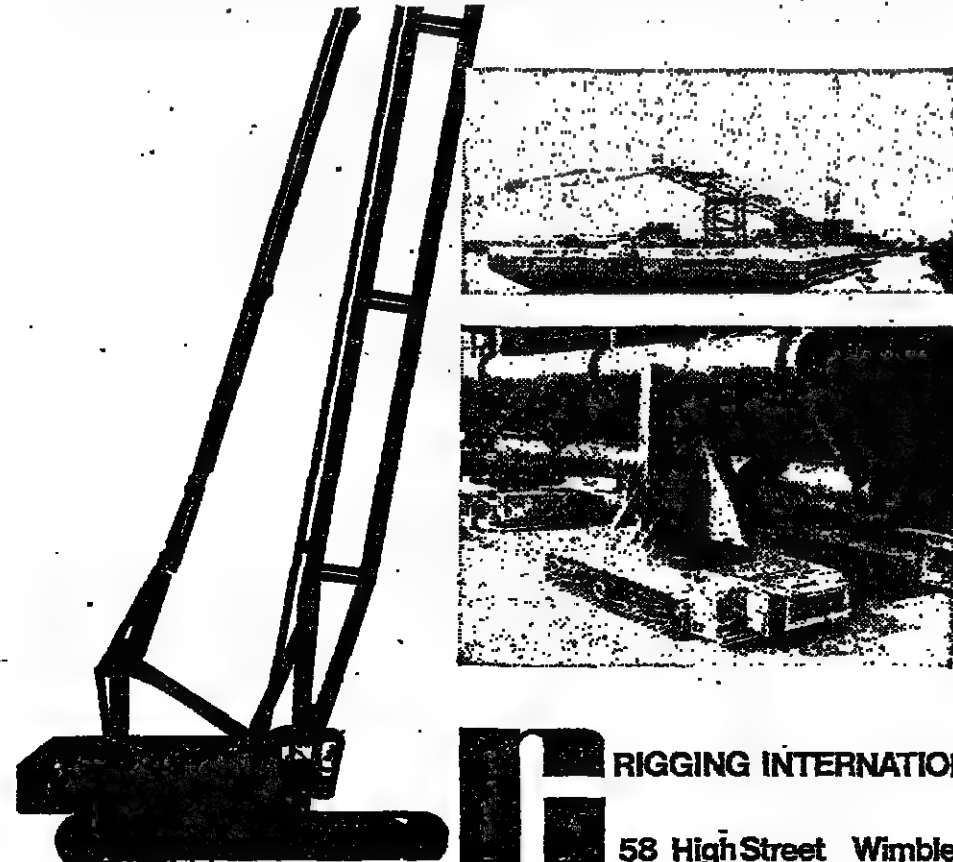
## RIGGING INTERNATIONAL EUROPE LIMITED



Rigging International is a world-wide engineering contracting company with considerable skill and efficiency in the field of heavy lifting, rigging and transporting.

Our plant hire facilities offer services in the petro-chemical industry, nuclear power construction, machinery installation and construction and North Sea oil operations both onshore and offshore where our cranes, barge mounted ringer crane and crawler transporters, move loads up to 2000 tons.

Rigging International also provide full management services including engineering, leasing and planning.



4100 Ringer on barge for working offshore

600 ton Crawler Transporters

**RIGGING INTERNATIONAL EUROPE LIMITED**

58 High Street Wimbledon London SW19 5EE

Telephone: 01 947 6777/8 Telex: 929624 Cables: Rigging London SW19

مكتبة الأمل



# Strong influence on equipment design

AS AN INDUSTRY which has boom period for the hire grown in little more than a decade from an annual turnover of only around £15m. to one of over £400m., the expanding economy, the pressure was on to plant hire sector could not fail to have an impact upon the efficiency, technology and range of equipment supplied.

Mr. Carter points out that machine capacities, power, speed and manoeuvrability were the production and use of more advanced equipment but have also had a considerable influence upon machinery design, according to Mr. Ronald Carter, assistant secretary of the Contractors' Plant Association.

The Association itself, formed in 1941 with only 33 member firms, lends testimony to the expansion of the sector as it now claims membership embracing nearly 1,500 of the estimated 2,000 companies in the industry.

The purchasing power of the hire operators has obviously increased their importance to manufacturers of equipment who, Mr. Carter points out, often use the sector as a proving ground for their products.

The interdependence between the manufacturers and the hire operators is illustrated by the Association estimate that around 70 per cent. of the construction equipment sold in the U.K. goes for hire. Though plant hire can embrace anything from the offer of a small electric hand drill up to a 300-ton crane, more than £300m. of the estimated annual turnover of the industry is accounted for by the building and civil engineering sector.

Such heavy reliance on one of the nation's most cyclical industries has been a key factor in providing the impetus for technological advance. The very booms and slumps which have beset the construction industry have meant that at times of peak demand there has been inadequate capacity, shortages of raw materials and skilled labour.

## Manpower

The need for mechanisation of operations has been apparent in order to cut back on the use of high priced manpower and to speed up construction times. The trend towards prefabrication and industrialised building systems, so popular in the early 1960s and forecast by many pundits to make a comeback, required more sophisticated lifting equipment for rapid transport and assembly.

The drive to raise the number of housing completions and the increased public sector spending of the 1960s helped to induce a

Mr. Carter points out that machine capacities, power, speed and manoeuvrability were the production and use of more advanced equipment but have also had a considerable influence upon machinery design, according to Mr. Ronald Carter, assistant secretary of the Contractors' Plant Association.

The environment in which the equipment manufacturers currently operate is quite different as the construction industry is passing through its deepest recession since the war. But while the overall demand for equipment is down and manufacturers have to look increasingly to export markets to compensate, there is still pressure for machinery which is more easily maintained, more reliable, and therefore more economical.

No one would be so rash as to suggest that the construction industry could be anything other than cyclical but there is an obvious need to try to smooth out the peaks and troughs. Building and civil engineering projects are a natural target for governments seeking economies but no amount of exhortation and special pleading by the industries affected seems likely to yield any satisfaction.

The construction industry may be the most important customer and the one to suffer most from the recession but there is little comfort to be drawn from other sectors which the plant hire industry serves.

Mineral extraction and quarrying has been hit by the reduced demand for building materials but the new emphasis placed upon coal extraction has provided some compensation. Land drainage and landscaping have suffered from the squeeze on local authority and central government spending. In the ports, the revolution in cargo handling made possible by containerisation and roll-on/roll-off services stimulated the provision of more sophisticated handling equipment but the current trade recession has again taken the edge off demand.

One area where plant hire



Grit blasting in Southampton Dry Dock from a William R. Selwood-hired Simon hydraulic platform.

operators have been able to turn attention is towards helping improve materials handling in manufacturing and distribution systems. The squeeze on liquidity and the penalty of large stockholdings at a time of mounting inflation, has led many companies to make an expert review of materials handling costs. Increased mechanisation is an important way to raise throughput and the plant hire companies can enable this to be achieved without a company incurring heavy capital expenditure.

Not only have plant hire companies had to contend with recession and reduced demand in their principal markets but also with an unprecedented rate of inflation. Hire is a capital intensive operation where the operator must make crucial assumptions about the future level of costs and hire rates before deciding whether to invest in new equipment.

Inevitably companies have tended to delay purchase of expensive new plant and to try to extend the working life of existing equipment. Obviously there are limits to how long such a policy can be pursued and it is a question of fine judgment as to when the increased maintenance cost of ageing plant becomes greater than the cost of replacement.

More serious is the possibility that hire operators will not replace certain types of machinery at all but opt for a reduced range of equipment. It is these sorts of fears of a run-

down of investment which will leave the industry short of flexibility to meet the next upturn in the business cycle that have prompted appeals to the Government to provide additional incentives to boost construction activity.

The smaller items of managed equipment, where the wages of the operator begin to account for too high a proportion of the hourly rate that the machine can command, are the first to be dropped.

## Capacity

Intensive utilisation of expensive equipment is essential if a new purchase is to be economic. But in the present depressed market with surplus capacity, operators are often prepared to quote low rates to ensure that existing machines are standing idle for as little as possible.

Against such a background there is little incentive to make new purchases. But the picture is not one of total gloom. The exploration and development programmes for North Sea oil and gas have created demand for all types of plant and have accelerated the trend towards increased capacity of heavy equipment such as cranes.

However, welcome as the boost has been to the industry, fears have been expressed that the investment taking place in major items of plant could lead to excess capacity within a couple of years.

An interesting trend is the move towards specialisation with particular companies offering a specialist service in sectors such as compressors, piling equipment, generators and pumps. The hire companies have even moved into the high streets to ensure that small items such as hand tools are made available to as wide a market as possible.

Indeed plant hire is a highly competitive sector where the quest for new markets has moved apace even during a period of recession. Operators may be more cautious about new investment but the need to find profitable activities places increased demands upon the technological and innovative resources of the equipment manufacturers.

Arthur Smith

HEWDEEN STUART  
HAS THE  
ADVANTAGE OF THE  
BEST MANAGEMENT  
TEAM IN PLANT HIRE

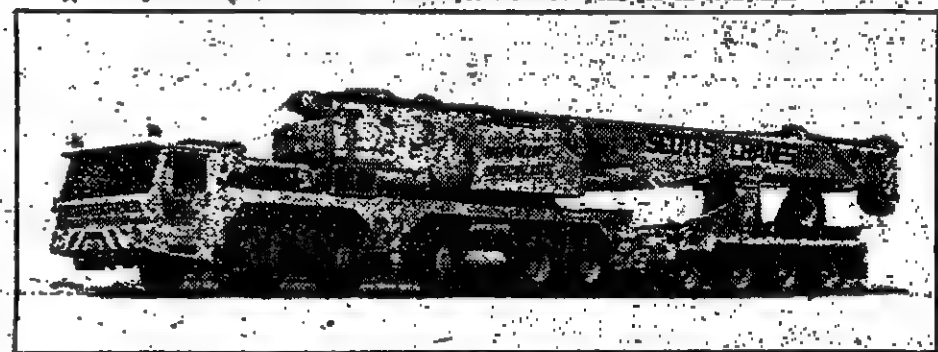
Investment in Plant Hire 1975-  
Greene & Company, The Stock  
Exchange

I think  
that about  
covers it

**Hewden  
Stuart**  
PLANT HIRE NATIONWIDE  
REGISTERED OFFICE  
135 BUCHANAN  
STREET  
GLASGOW, G1 2JE  
TEL: 041-221 7331

## CRANE HIRERS:

We present yet another acquisition to our ever-expanding Heavy Crane Fleet  
**THE LARGEST TELESCOPIC CRANE IN THE WORLD**  
The Gottwald 140-ton telescopic crane  
Introducing a complete new dimension in Heavy Lifting. Outfitting and outreaching many conventional machines.  
★ Overall tip height of 90 metres!  
★ Immediately ready for work as telescopic crane!  
★ Ready for work with FULL telescopic TOWER plus jib in less than 2 hours!



ADVICE — IMMEDIATE QUOTES — CONTRACT LIFTS  
Call **SCOTT'S CRANES Ltd.**  
NETHER STREET, BEESTON, NOTTINGHAM  
0602-221133 / TELEX 377589

Which is the greater luxury  
to own these days?

Let's admit it, to own anything on four wheels is luxury in 1976. It ties up scarce cash instead of allowing it to flow. It leaves you vulnerable to the havoc which inflation can play with budget forecasts. But there's one luxury you can't afford to be without. The flexibility to adapt to change which the Yale lift truck rental network from Eaton offers. Our rental specialists will tailor you a rental plan that gives you the right lift truck fleet in financial, operational and productive efficiency terms. If necessary, we could actually buy up your redundant fleet and replace it with application-matched lift trucks, available from the range of Yale<sup>®</sup> L.C. engine and electric trucks. Our plans cover both long and short terms and savings can be impressive. If at any time your needs change, plans can be adapted to give you lift trucks to match. We make sure your rental fleet stays as economical as possible. Maintenance? There are schemes to relieve you of that problem too. If you still rent cars but buy lift trucks, think about a change to the Yale lift truck rental network. The most practical luxury money can rent. Let the Rental Manager prove it to you at your local Yale industrial truck dealer.

**EATON** Materials Handling

DOES ACCESS PRESENT YOU A PROBLEM? EQUIPMENT for SALE or HIRE

NATIONWIDE COVERAGE  
If you have Access Problems  
Consult  
**BLACKBURN**  
(SUSPENDED SCAFFOLDING)  
LIMITED  
LOW WELL WORKS,  
BRIGGATE, SHIPLEY RD17 7SH.  
Tel. Shipley 59554 (3 lines)  
Telex No. 517177  
24 hour answering service.

## Structure

CONTINUED FROM PREVIOUS PAGE

acquisition has enabled H-S to reduce the average age of the fleet and to get rid of older machines from both Gilmour's and its own fleets, the cash raised defraying part of the capital outlay. Both deals will allow economies in overheads and will bring in cash from the sale of surplus properties.

Then, in August, H-S acquired a 74 per cent. stake in Gunn via the issue of shares worth £2.2m. and putting a £3m. price on Gunn. Finance house United Domestics Trust retained a 25 per cent. interest in Gunn.

The offer, once again, valued Gunn at rather below book asset value and obviously less than replacement worth. Also, and here the pattern becomes even clearer, Gunn's plant was supposed to be as modern as H-S's. The management teams knew one another from meetings at a joint company set up in 1974 to hire mobile site accommodation made by Gunn.

The merger expands H-S's scope of activities. H-S activities in plant hire are concentrated in Scotland, the North East and the South East of England while Gunn operates in Wales and the Midlands. In crane hire, Hewden is again strongest in Scotland and North East England while Gunn's business is in the North West. H-S is quite heavily involved in hiring earthmoving plant on a national scale while Gunn does not operate in this sector. Gunn, on the other hand, has a forklift truck hire division and activities in Europe through the 50 per cent. owned Gunco in Holland. Could Gunco give H-S the Continental base for the expansion it has often expressed an interest in?

## Merchandising

In an analysis of the merger recently, Glasgow stockbrokers Parsons and Company, maintained that the most prominent feature of the arrangement was the merchandising activities. In the year to February 1975 only

23 per cent. of H-S turnover came from plant and equipment sales. But Gunn derives about 55 per cent. of turnover from merchandising.

H-S holds franchises for Magirus-Deutz, Wabco and Consolidated Pneumatic equipment and distributes JCB plant in Scotland and Cumbria while Gunn is JCB distributor for the Midlands and Wales. Merchandising activities will account for one-third of the turnover of the merged group.

The deal also established H-S as Britain's biggest plant hire group with the combined last-recorded turnover of H-S plus Gunn reaching £40m. against Richards and Wallington's £27.7m. and the £17.7m. of British Electric Traction's plant hire businesses. (Grayston, Eddison and J. D. White).

Blackwood Hodge remains the largest sales-only concern in the U.K. with a £39.3m. turnover in 1974. Following the four leaders, according to Parsons, come Wyseplant (a subsidiary of the P & O group), Harvey Plant (owned by the Lex Group) followed by a number of smaller quoted companies, mostly with a turnover of £5m. or less, such as G. W. Sparrow, H. Cox, Vibroplant, Allied Plant and Bristol Plant.

The brokers also point out that a substantial proportion of the shares issued to acquire Gunn have probably gone into firm hands—an important factor because there is obviously much rationalisation still to come within the industry. With its own vulnerability not in question and its strong cash flow, H-S is more likely to be among the future acquirers than to be the subject of a bid itself.

British Electric Traction, which has been getting more than £3m. of profit from its plant hire operations, obviously does not wish to be left out of the game of musical chairs when the switches in ownership start all over again. It has built up strategic stakes in Richards and Wallington, the

largest crane hirer in the world, and 12 per cent. of G. W. Sparrow.

R. and W., which operates through British Crane Hire, F. Attwood and various other subsidiaries and has about 1,300 cranes, has a chairman, Mr. Roy Richards, who owns slightly more shares than BET so he would obviously play a large part in any future arrangements between the two.

R. and W. has been active in its own way, buying Cambrian Plant Hire and selling a materials handling and plant hire business to British Steel last year. It has also set up a joint crane assembly business with Clark Equipment of the U.S.

## Punters

At one stage the plant hire sector was attracting the attention of stock market wheeler-dealers and that is why so many large shareholdings appeared for sale over the past few years as the punters took either their profits or their losses. R. and W. bought a 21 per cent. stake in H. Cox, for example, but this is matched by a 24 per cent. holding owned by Transport Development Group. It is likely that that situation will be sorted out one day.

It was the packages of shares in Contractors Services which were hobbling around for any willing buyer to snatch up which encouraged SGB Group (formerly Scaffolding Great Britain) to expand its plant hire interests in a significant way.

That was over a year ago and recently SGB reported that CS's results "have justified the cost of the acquisition (£2.25m.) and a strong base is being established for future progress when the climate for construction improves." Success of the plant hire mergers can only encourage the others. It would be very surprising if another year goes by without the industry rearranging itself once more.

Kenneth Gooding  
Industrial Correspondent



# WALL STREET + OVERSEAS MARKETS

## Below the best: up 1.5 at 995.28

BY OUR WALL STREET CORRESPONDENT

PRICES HELD firm on Wall Street today, but again finishing below the best following heavy resistance at the 1,000 level of the Dow Jones Industrial Average.

After moving within 0.5 of the 1,000 level, the DJIA finally retreated 0.25, for a net gain of 1.5. The NYSE All Common Index put on 21 cents to 995.28, while rises led falls by 760-721.

Trading volume, however, dropped 5.7m. shares to 23.9m.

Because of planned profit-taking at the 1,000 level, the market was little affected by stable interest rates, the outlook for continuing economic expansion and some favourable news.

In the economic news, Mr. William Simon, Treasury Secretary, predicted that the U.S. Gross National Product this calendar year is likely to expand by closer to 7 per cent. than to the 6 per cent. previously estimated.

And Citibank economists said the economic recovery is cruising ahead and it endures, will restore full employment.

Some moved up \$2 at \$91 on 1,000,000 shares.

J. C. Penney climbed another \$1 to \$58.10 on its higher fourth-quarter profits and prediction that 1976 will be "another good year".

Seas. Roebuck picked up \$1 to \$17.35. Polaroid \$12 to \$41.10, and U.S. Steel \$11 to \$57.10.

Marcor rose \$1 to \$31 on higher earnings.

But St. Joe Minerals fell \$4 to \$40, following its bearish first-quarter earnings projection.

Island Steel \$11 to \$20.10 on plans to offer \$100 million in common shares, while Hospital Corporation of America dipped \$1 to \$24.40 after filing an \$800,000 common share offering.

Getty Oil surrendered \$3 to \$15.35, as it plans to begin operations at its Hatter's Pond Field, near Mobile, Alaska, next week.

Elgin National Industries moved ahead \$3 to \$32.50. St. Louis later up \$1 to \$24.10, as it expects to report record first-quarter net of at least \$1.10 a share.

Orange rose \$3 to \$13.10 on a 13 per cent. stock dividend and a regular cash payout.

The American 30 Market Value Index added 0.28 at 104.74, but declines led advances by 332 to 328.

P. H. Glaxier rose \$1 to \$46 on a 40 per cent. stock dividend plus a raised quarterly pay-out.

**OTHER MARKETS**

**Canada again mixed**

Canadian Stock Markets remained mixed in moderately active trading yesterday.

The Industrial Share Index put on 0.40 to 191.73. Base Metals 0.88 to 88.84 and Papers 0.80 to 128.39, but Golds shed 1.32 to 323.90. Western Oils lost 0.95 to

215.83. Banks fell 3.10 to 238.91 and Utilities eased 0.34 to 137.37.

Falconbridge Nickel advanced \$1 to \$37.50, it is optimistic about copper in 1976.

Bank of Nova Scotia dipped \$1 to \$33, as did Bank of Commerce to \$23.

PARIS—Selectively higher.

Electricals rose strongly. Banks and Foods gained ground. Metals and Oils were steady, while most other sectors were mixed.

In the Foreign sector, Americans, Dutch and International Oils were profit-taking.

BRUSSELS—Mixed to lower in quiet trading.

Dutch and Canadian issues were steady. German stocks were higher. Americans mixed, while

Gold Mines rose in line with London.

AMSTERDAM—Mixed in quiet trading.

Internationals were firmer. Royal Dutch rose \$1.10, ahead of its final figures due to-day.

Shipments and Plantations were mixed, while Banks, Insurance and Stores fell.

STAV improved on its statement. It will pay a 1976 dividend.

State Loans were little changed in quiet trading.

GERMANY—Strong on domestic and foreign interest, with investment funds in the market.

A good deal of foreign currency that has been moved into marks. The last few days was re-invested.

All sectors firmed, led by

Manneberg DM11, Brown Boveri DM12, Varta DM10, Karsstadt DMS and Demag DM7.

Most leading stocks put on up to DM1.5, while the DAX rose 1.10.

DM12, proposed dividend cut came too late to affect stock market.

Bonds firmed up to DM10.35. In sympathy with shares, while the Regulating Authorities sold DM120m. nominal of stock.

Foreign Loans were mixed. OSLO—Bankings were quiet, while Insurance and Industrials were barely steady.

VIENNA—Quietly steady in a moderate interest, with investment funds in the market.

COPENHAGEN—Mixed in fair trading.

MILAN—Generally higher on support. Industrials leaders

Improved, as did Banks and Insurance.

Bonds were slightly lower in fairly active trading.

SWITZERLAND—Narrowly mixed in generally quiet activity.

Leading Banks and Insurance were little changed. Financials were slightly irregular, while small cap issues were mixed.

State Bonds were quietly maintained.

Dollar stocks drifted lower. Dutch Internationals fluctuated narrowly, while Germans firmed.

HONG KONG—Mixed in moderate trading.

Hong Kong Bank were up 10 cents to HK\$21. Hong Kong Land 10 cents to HK\$20.50, and Telephone HK\$1.50 to HK\$2.50.

China Light 20 cents to HK\$2.60.

Hong Kong Dock were down 2 cents to HK\$1.75, while the 71 cents to HK\$1.45, and Hong Kong and Kowloon Wharf 20 cents to HK\$1.80.

TOKYO—Mainly higher following revived interest in Blue Chips. Volume 210m. (280m.)

Electricals firmed on active domestic and export sales of colour TVs.

Motors and Accessories also firmed on increased exports.

Kyoto Ceramic moved up ¥220 to 4,840.

Shipments were generally higher. Sanko Steamship rose ¥20 to 495 on plans to make a 10 per cent. free issue.

Banki Glico were up ¥86 to 10,220. Casio Computer ¥25 to 2,000. Midway ¥25 to 381, and Yamato Kogyo ¥7 to 59.

Toshiba were down ¥36 to 767. Nissin Food ¥20 to 2,080 and Marubeni ¥8 to 265.

JOHANNESBURG—Gold shares moved up on fresh demand and also the slightly higher bullion price.

De Beers rose 13 cents to R2.63 following its results.

Other Metals and Minerals were higher.

Industrials were little changed. AUSTRALIA—Generally firm in moderately active trading.

Among Western Mining rose 11 cents to \$A1.07 and ANS 6 cents to \$A1.50.

PAINTONAL came back 30 cents to \$A13, but Peko-Wallend put on 10 cents to \$A14.

Casals attracted support, with Uash rising 30 cents to \$A10.90. Thiess 5 cents to \$A1.95 and Casals 15 cents to \$A1.50.

BHP advanced another 12 cents to \$A1.68 and Combeval put on 5 cents to \$A1.70. AIC improved 8 cents to \$A1.60.

Watsons firmed 1 cent to \$A1.19 on its interim profit increase.

**STOCK INDICES**

Mar. 10 Mar. 9 Mar. 8 Mar. 7 Mar. 6 Mar. 5

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

100 = 100.00 100.00 100.00 100.00 100.00 100.00

NEW YORK, March 10.

STERLING fell to its lowest levels the gold content was almost

ever recorded against the U.S. changed at 3.50 per cent, but

did not reach major currencies in 1975, but fell 1 per cent in

general yesterday. Pressure mounted to build up during the afternoon

and it is probable that the Bank of England intervened to steady

the rate to its lowest levels. The pound opened at \$1.9385-1.9375

and eased during the morning to \$1.9375-1.9365. Increasing pressure

pushed the rate down to \$1.9365 at 11.00, before a fall of 2.575

cents on the day. After normal business hours in London the

round continued to improve to around the \$1.9150 level.

Sterling's trade-weighted average depreciation against 10

major currencies, since the Washington Currency Agreement of

December 1971, as calculated by the Bank of England, widened

to a record level of 33.5 per cent. from 32.2 per cent. previously,

after standing at 33.3 per cent. in early dealings and 33.5 per cent.

at noon.

The U.S. dollar was generally stronger against most European

currencies, and its trade-weighted depreciation against 14 major

units since 1971, narrowed to 2.20 per cent. from 2.35 per cent.

The French franc came under further pressure and received

support from the Banque de France and the West German

authorities.

Gold gained \$1 to \$133.134.

The forward finished at \$132.1281 (27.12-27.13). Its premium over

at 3.50 per cent. in early dealings and 3.55 per cent. at noon.

The U.S. dollar was generally stronger against most European

currencies, and its trade-weighted depreciation against 14 major

units since 1971, narrowed to 2.20 per cent. from 2.35 per cent.

The French franc came under further pressure and received

NEW YORK, March 10.

STERLING fell to its lowest levels the gold content was almost

ever recorded against the U.S. changed at 3.50 per cent, but

did not reach major currencies in 1975, but fell 1 per cent in

general yesterday. Pressure mounted to build up during the afternoon

and it is probable that the Bank of England intervened to steady

the rate to its lowest levels. The pound opened at \$1.9385-1.9375

and eased during the morning to \$1.9375-1.9365. Increasing pressure

pushed the rate down to \$1.9365 at 11.00, before a fall of 2.575

cents on the day. After normal business hours in London the

round continued to improve to around the \$1.9150 level.

Sterling's trade-weighted average depreciation against 10

major currencies, since the Washington Currency Agreement of

December 1971, as calculated by the Bank of England, widened

to a record level of 33.5 per cent. from 32.2 per cent. previously,

after standing at 33.3 per cent. in early dealings and 33.5 per cent.

at noon.

The U.S. dollar was generally stronger against most European

currencies, and its trade-weighted depreciation against 14 major

units since 1971, narrowed to 2.20 per cent. from 2.35 per cent.

The French franc came under further pressure and received

support from the Banque de France and the West German

authorities.

Gold gained \$1 to \$133.134.

The forward finished at \$132.1281 (27.12-27.13). Its premium over

at 3.50 per cent. in early dealings and 3.55 per cent. at noon.

The U.S. dollar was generally stronger against most European

currencies, and its trade-weighted depreciation against 14 major

units since 1971, narrowed to 2.20 per cent. from 2.35 per cent.

The French franc came under further pressure and received

NEW YORK, March 10.

STERLING fell to its lowest levels the gold content was almost

ever recorded against the U.S. changed at 3.50 per cent, but

did not reach major currencies in 1975, but fell 1 per cent in

general yesterday. Pressure mounted to build up during the afternoon

and it is probable that the Bank of England intervened to steady

the rate to its lowest levels. The pound opened at \$1.9385-1.9375

and eased during the morning to \$1.9375-1.9365. Increasing pressure

pushed the rate down to \$1.9365 at 11.00, before a fall of 2.575

cents on the day. After normal business hours in London the

round continued to improve to around the \$1.9150 level.

Sterling's trade-weighted average depreciation against 10

major currencies, since the Washington Currency Agreement of

December 1971, as calculated by the Bank of England, widened

to a record level of 33.5 per cent. from 32.2 per cent. previously,

after standing at 33.3 per cent. in early dealings and 33.5 per cent.

at noon.

The U.S. dollar was generally stronger against most European

currencies, and its trade-weighted depreciation against 14 major

units since 1971, narrowed to 2.20 per cent. from 2.35 per cent.

The French franc came under further pressure and received

support from the Banque de France and the West German

authorities.

Gold gained \$1 to \$133.134.

The forward finished at \$132.1281 (27.12-27.13). Its premium over

at 3.50 per cent. in early dealings and 3.55 per cent. at noon.

The U.S. dollar was generally stronger against most European

currencies, and its trade-weighted depreciation against 14 major

units since 1971, narrowed to 2.20 per cent. from 2.35 per cent.

The French franc came under further pressure and received

NEW YORK, March 10.

STERLING fell to its lowest levels the gold content was almost

ever recorded against the U.S. changed at 3.50 per cent, but

did not reach major currencies in 1975, but fell 1 per cent in

general yesterday. Pressure mounted to build up during the afternoon

and it is probable that the Bank of England intervened to steady

the rate to its lowest levels. The pound opened at \$1.9385-1.9375

and eased during the morning to \$1.9375-1.9365. Increasing pressure

pushed the rate down to \$1.9365 at 11.00, before a fall of 2.575

cents on the day. After normal business hours in London the

round continued to improve to around the \$1.9150 level.

Sterling's trade-weighted average depreciation against 10

major currencies, since the Washington Currency Agreement of

December 1971, as calculated by the Bank of England, widened

to a record level of 33.5 per cent. from 32.2 per cent. previously,

after standing at 33.3 per cent. in early dealings and 33.5 per cent.

at noon.

The U.S. dollar was generally stronger against most European

currencies, and its trade-weighted depreciation against 14 major

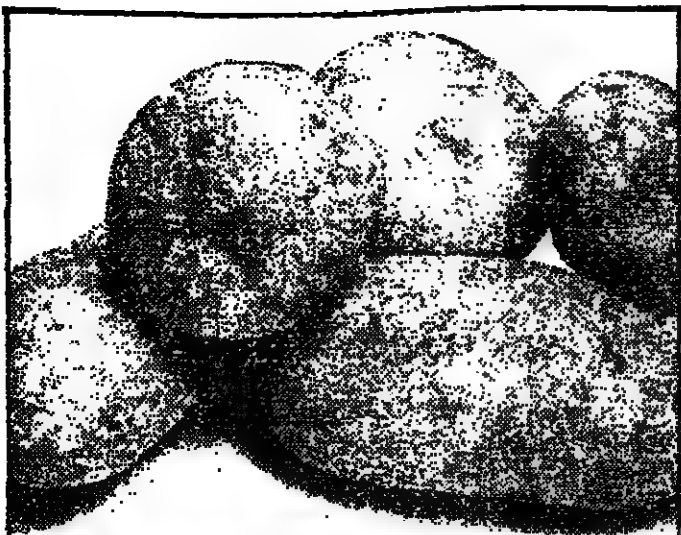






## CYPRUS II

## The Greek sector's problems

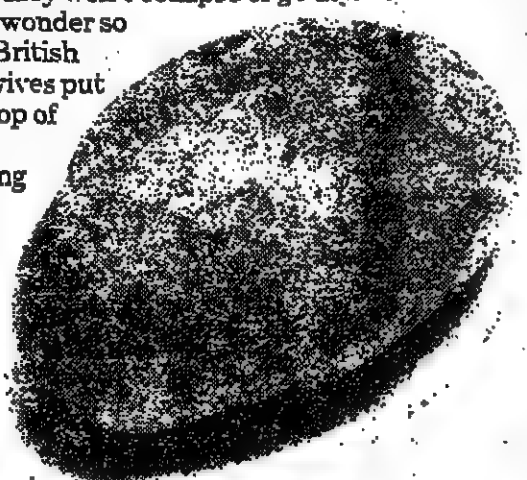


## Cyprus new potatoes—now more welcome than ever

With such a shortage of potatoes, Britain would be in a bad way were it not for the 110,000 tons (that's 250 million lbs) of potatoes shipped to the UK each year, by the Cyprus Potato Marketing Board.

Cyprus Potatoes have a superior quality of their own. Grown in fine red soil that is rich in natural minerals, they arrive firm and clean and full of goodness. When fried or roasted or chipped, they won't go soggy. When boiled, they won't collapse or go dry.

No wonder so many British housewives put them top of their shopping list.



**CYPRUS**  
The Garden in the Sun.

All enquiries to the Cyprus Potato Marketing Board, c/o Cyprus Co-operative Organisation, 88-90 Farringdon Road, London, ECL  
Tel: 01-278 1865 Telex: 283901.

### VISPAN PHARMACEUTICAL INDUSTRY

P.O. Box 2085, Nicosia, Cyprus

We are a company with 15 years' experience in medicines and now under the management and control of a new qualified person in pharmaceutical analysis (MSc of Salford University). We undertake the production of ethical products under licence on a royalty basis. We would be delighted to discuss this further and we are quite prepared to arrange a meeting at your convenience.

### Bank of Cyprus

Limited Est. 1899

Telex: CYPRUS 2452 Tel: 64064

BY FAR THE LARGEST FINANCIAL INSTITUTION in Cyprus, the Bank of Cyprus is associated with every aspect of the economy, industry and commerce of the country. We offer a complete banking service through the largest branch network in the island, and a wider range of financial services through our subsidiary mortgage, hire purchase and insurance companies. We have the facts, figures and connections. Contact our Foreign Relations Manager, Head Office, Nicosia, or OUR LONDON SUBSIDIARY, BANK OF CYPRUS (LONDON) LIMITED, 27/31 Charlotte Street, London W.1. (tel. 01.637.3961) who, at their end, have been providing for the last 20 years comprehensive banking services to the U.K. Cypriot community.

London branches at Charlotte St., Finsbury Park, Haringay and Palmers Green

SINCE THE island is now effectively divided and with only minimal communications between the two sides, there is little real alternative here in this Survey but to look separately at economic and social conditions in the two sectors. This is not to equate them in political terms, and it remains a fact that the Greek-Cypriot majority is represented by the established and internationally recognised Government of Cyprus with, at least relatively speaking, all the resources available to government, not unimportantly perhaps the facility to raise capital abroad, of exploiting existing trading arrangements and negotiating new ones.

It is also a fact that the majority sector is open to independent inspection, whereas (perhaps inevitably) the Turkish-Cypriot area remains—at least along the border areas—in something akin to a state of near-war with restrictions imposed somewhat unselectively on residents and occasional visitors from the Greek sector alike. In the circumstances, there is the risk of employing differing criteria for economic judgment and evaluation, with the consequences of possibly undervaluing the actual post-invasion performance and achievement on the side that is less forthcoming.

### Enormity

On the Greek-Cypriot side, there is no inclination to conceal the enormity of the problem left by the events of July, 1974. Mr. Andreas Patsalides, the Finance Minister, had this reference in his Budget speech before the House of Representatives on February 23: "The Turkish invasion has dealt a heavy blow on the previously booming Cyprus economy. Never before in the modern history of Cyprus has so much catastrophe been caused in such a short period of time. It was not only the case of invasion and occupation of a large part of the most productive area of Cyprus, but at the same time the case, perhaps unique in history, of mass and forcible displacement of one-third of the population of the island from their ancestral homes."

A few figures at random demonstrate just how heavy the blow has been. In the decade to 1971, GDP at constant prices rose by an annual average in excess of 7 per cent. and per capita GNP by almost 6 per cent. Real value added in the agricultural sector over the same period almost doubled, while that of industry increased by 118 per cent. Tourism, an important contribution to the invisible account, experienced spectacular growth, the number of tourists visiting the island rising from some 40,000 in 1961 to 179,000 ten years later. Unemployment was minimal. The invasion, however, changed all that. Apart from close on 200,000 immediate

refugees, registered unemployment at the end of 1974 was 50,000, or getting on for one-quarter of the economically active Greek-Cypriot population. Official estimates put GDP at current prices resulting from economic activity in the second half of 1974 at 56 per cent. compared to that of the first half of that year. GDP expressed in 1973 prices declined in 1974 by 17 per cent. and exports by some 9 per cent., despite the fact that production was perfectly normal in that year up to the July invasion and bearing in mind that 1973 was an exceptionally bad year for agricultural output, owing to the drought, and 1974 among the best. July-December exports in 1974 were less than half of those in the first six months of that year. Tourism following the invasion just did not exist.

The Government's response to this very real crisis was to prepare a detailed emergency economic action plan covering the two years 1975-76 and, surprisingly to anyone who saw conditions in Cyprus in the immediate aftermath of the fighting, Mr. Patsalides was able to report in his Budget address last month that "a further decline of the economy has been arrested and its revival has been achieved... the signs of recovery and reactivation are apparent." It is, in truth, and without in any way minimising the extent of economic recovery yet to be achieved before Cyprus can get back to 1973 standards, an impressive illustration of what the Minister referred to as the "perseverance, persistence, faith, boldness and determination" of the Greek-Cypriot people.

The aftermath of the invasion left the Government with two fundamental problems—the provision of immediate relief and assistance to the refugees, most of whom had travelled south before the invading Turkish army literally with nothing but the clothes they were wearing; and making some

start to a reactivation of the economy, or at least what was left of it on the Greek-Cypriot side. The first priority was housing of sorts and the provision of basic nourishment, in itself a virtual nightmare of organisation. Fortunately this latter was greatly facilitated through personnel and financial assistance from outside relief agencies, and to a surprisingly large extent by voluntary contributions from Greek-Cypriots living abroad, principally in Britain, the U.S. and Australia.

### Immediate

As an immediate measure, wages and salaries of those still employed were reduced by law by up to 25 per cent., in part to bring them into line with reduced actual production, but also in an attempt to introduce a more equitable distribution of available income in the population generally. The initial crash programme providing mainly tents and foodstuffs for the refugees has now largely (but not totally) given way to the provision of special housing and the replacement of regular food supplies with actual monetary payments. The number of refugees (all personnel data has now come on computer) has fallen from more than 200,000 to just over 140,000, some 22,000 of whom are still housed in tents and a further 20,000 in unsatisfactory makeshift accommodation. As economic activity generally expands, more and more of the refugees are being gainfully employed, and an incentive scheme for productive employment and reactivation has lately been introduced in an effort to discourage the inevitable tendency of some to become more or less permanent refugees living on assistance. Besides the considerable economic implications of the social problems presented by the homeless, and this despite relatively massive aid from overseas, the island faces major and indeed multi-dimensional direct economic difficulties. The sharp

decline in incomes and living standards, generally resulted automatically in a serious decline of purchasing power and aggregate demand. Inevitably, the level of savings fell, creating obvious difficulties in financing industrial investment at a time when it was essential. Exports fell back with the substantial reduction in available productive capacity left on the Greek side, while the overall political uncertainty (there are still many Greek-Cypriots who speculate that Turkish forces might yet take over the entire island and this was certainly a widely-held notion in late 1974 and early last year) had an obvious effect on investment activity.

The Government, of course, had a sharp fall in its revenue at a time when higher expenditure was necessary on social and allied services, as well as on special projects aimed at reactivating the economy. Both budget and balance of payments deficits will be a feature of the economic scene for some years to come, but fortunately the level of national debt has been traditionally low and the present reserves (£108m., against £105m. in June, 1974) are adequate for the foreseeable future, assuming no drastic deterioration in the payments deficit over the £15m. last year.

Provisional data for 1975 is somewhat encouraging, although the decline in real GDP over 1973 is in the region of 35/40 per cent. Production in the second half of last year was higher not only in comparison with July/December, 1974, but also with the first half of 1975. Total gross fixed capital formation at current prices last year is estimated at roughly £142m., some two-thirds of that for the previous year, and just over half the level in 1973, the last full year for comparison prior to the invasion. Unemployment has dropped to just short of 35,000, from more than 50,000 in December, 1974. The Government itself has provided the main impetus in

## Two-way traffic of refugees

REFUGEES ARE an inevitable consequence of war, but they are also often the stuff of propaganda. The situation is complicated further in the case of Cyprus, in that some 200,000 Greek-Cypriots were driven from their homes in the north of the island against their will, whereas most Turkish-Cypriots living outside the long-established Turkish enclaves were, generally speaking, happy to take the opportunity of re-settling in the north. They were, of course, particularly happy in the immediate aftermath of the Turkish invasion, since very many of them (whether justified or not) genuinely feared retaliation at the hands of Greek-Cypriots for what was seen to be excesses by the invading army.

It is also a fact that the Turkish-Cypriots from the south are not refugees in the generally accepted term, since there were adequate Greek-Cypriot homes vacated before the advancing Turkish Army to provide accommodation for Turks moving from the south. They included 9,000 plus who, at the commencement of the fighting, sought refuge in the U.K. base at Akrotiri, and who were subsequently "transplanted" to the north, via an airlift to Turkey, with the approval of the British Government, but in the face of strong and repeated protests by the Makarios Administration. Mr. James Callaghan, the Foreign Secretary, said at the time that the British decision was made on humanitarian grounds, but its consequence was further to separate the two peoples and to bring allegations that Britain "was taking sides in the Cyprus issue."

The Greek-Cypriot refugees presented a much different problem, and indeed many of them still do. Some have found new homes, others accommodation with friends, and still more are now in new low-cost housing provided by the Makarios Government. There are, however, still more than 20,000 in tents, and an equal number in temporary accommodation which is unsuitable in the extreme. These 40,000 add are the real refugees in the accepted sense of the word, although of course all have been driven from their homes in the north, perhaps as many as 100,000 from the Famagusta and Morphou areas—a potentially important qualification since persistent but unofficial speculation suggests that Turkey and the

Denktaş administration may yet surrender these areas, if not totally to the Makarios Government, then under some form of independent and possibly interim mandate such as the UN.

Inevitably, perhaps, there is some discontent among Turks who have come from the south, usually to do with allegations that housing allocated to them is inferior to their former homes. But the Greek-Cypriots driven out of the north are much the more potent force. They feel most strongly the injustice of the invasion, they have lost most (sometimes indeed all) in personal terms, and in terms of possessions, and as roughly one in three of the total Greek-Cypriot population, they constitute a potentially powerful political force against any agreement regularising the territorial status quo, or even something approximating to it. They are now being exploited by the political left, most noticeably by the socialist leader, Dr. Vasos Lyssarides, whose general theme is "no surrender" to the Turks coupled with an implied call to arms to "drive out the invader."

### Relevance

It is not a call which is particularly relevant at this time, but it could well have political relevance in the future, and even now it is sufficient to undermine the moderates like Mr. Clerides. It is certainly the stuff to reinforce the generally tough position of Archbishop Makarios, although for the moment anyway it should be realised that the President retains immense popular support among Greek-Cypriots. Another important and potentially tragic aspect of the refugees on the majority side is the growing movement towards emigration. The Makarios Government has already made interim arrangements for Greek-Cypriots to take up temporary jobs in both Bulgaria and Czechoslovakia, and a number of technicians have also left for work in the Gulf States and, incidentally, are now contributing useful foreign exchange to the country's reserves. But this type of temporary emigration has a habit of becoming permanent in circumstances such as Cyprus is now in, and the fourth floor of the Cyprus Union in Nicosia housing the offices of the Australian Immigration Service has as much business as it can handle, indeed probably more

so. This is a permanent drain of the best and most experienced workers which Cyprus in the long term just cannot afford.

It would be quite wrong to suggest that people are leaving Cyprus because the Makarios Government is in some way unconcerned for their future or is working without resolution in trying to provide them with adequate housing and suitable job prospects. This is not, in fact, the case, within the resources available to the administration, but it is a fact that the Government is less than anxious to publicise widely its thus far considerable achievement in attending to the acute refugee problem, not least perhaps because an end to the Cyprus refugee problem will, inevitably, mean that there is less "material" available on which to continue the propaganda case that Cyprus deserves the attention of the world in her hour of real human need.

### CYPRUS ADVERTISERS AND EXECUTIVE RELY ON IT AND SO SHOULD YOU WHEN DOING BUSINESS WITH CYPRUS

#### PHILELEFTHEROS

Is the leading newspaper in Cyprus and has the biggest readership amongst business executives, company owners, managing directors.

The modernised advertisement section will prove of the utmost value to manufacturers or advertising agencies. Customers will appreciate the high quality layout and clarity of their advertisements.

Issued by:

O PHILELEFTHEROS LTD.  
P.O. Box 1094  
Nicosia, Cyprus

### Alasia Hotel

TELEPHONE 7747/48

LIMASSOL

A quiet relaxing family hotel with its own character and a most picturesque view of Troodos mountains to the north and the blue Mediterranean south. All rooms with bath, telephone, radio and wardrobe. 51 rooms including 2 restaurants, 2 bars, lounge, TV room, sun-terrace, romantic gardens, attractive heated swimming pool, open air restaurant.

### THE CHURCHILL

A TOUCH OF LUXURY

The Churchill, a newly opened, luxurious four star hotel, quietly situated in a centrally located select residential area of Nicosia, commands double bedrooms and suites with all amenities, centrally air-conditioned throughout.

Spacious lounge, bar and restaurant, television and secretarial facilities, the clock service of an impeccable standard, international standard exclusive restaurant and bar in The Churchill Nightclub. The ideal choice for the businessman visitor or the "passionate" tourist.

1, Achamas str., Nicosia 111, Cyprus  
P.O. Box 4145  
Telephone: 48828 — 4 lines  
Telex: 3280 CHURCHILL



- Manufacturers of:
1. Oriental TAVLI (BACKGAMMONS)
  2. Children's FURNITURE
  3. Wooden BARRELS
  4. Flower Pots.

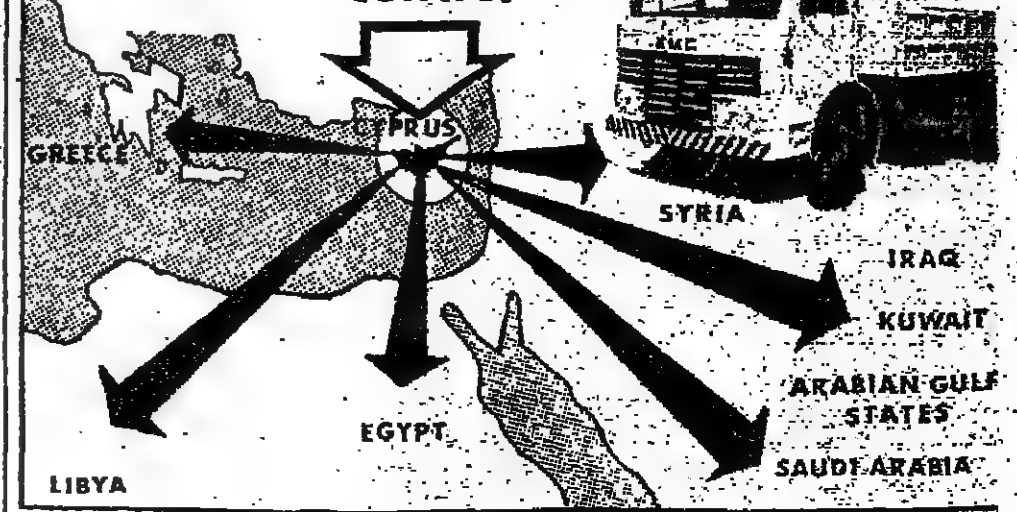
P.O. BOX 1088, TELEX 2676, LIMASSOL-CYPRUS  
Export enquiries invited.

## KMA truck & bus

are designed according to the latest EUROPEAN standards.

P.O. Box 4709  
Cables: Kaimotors  
Telex: 2519

production, service and spare parts centre.





# Turks build up administration

THE LIGHTS are still burning brightly in the Turkish-held area of Cyprus. This is neither a facetious remark, nor one made in a mood of condescension, but it does point up an interesting situation, and also one of the very few remaining areas of co-operation between the two communities. Co-operation is, perhaps, too defined a description, since it suggests something positive—in fact, the national electricity undertaking controlled in the Greek sector continues to serve the island as a whole, as indeed it has done since the outbreak of inter-communal fighting back in 1963: this is as much as a propaganda exercise as anything else. Turkish-Cypriot officials also add their own explanation for the continuation of the service, suggesting that if the Greek sides cuts the power supply, the Turks will retaliate by closing off the water flow to the majority population, or at least that part of it which they control in their region. It is an arrangement which has its own logic, although no money actually passes to the Greek side for the electricity consumed in the Turkish-Cypriot sector.

It is, however, just another illustration of the divide between the two communities that each administration is planning for its own self-sufficiency: the Turkish side is building up its generator capacity, while the Greek Cypriots are urgently drilling for new water wells in the area under their control. "Each administration" is now days an accurate choice of phrase, and the "Federated Turkish State of Cyprus" is now effectively in being under the leadership of Mr. Rauf Denktaş. It is gradually taking on the structure of a government: with its own "ministries" and supporting personnel, and for the first time in some 400 years all Turkish-Cypriots on the island live as a separate community, other than an estimated less than 10,000 Greeks and some foreign nationals (mainly British) who remain in the Turkish sector, at least for the time being.

## Assistance

Financial and technical assistance is coming from Ankara and is being co-ordinated by a special ministerial committee under Professor Turhan Feyzioğlu, a deputy prime minister and leader of the small Republican Relliance Party, a breakaway faction from the Republican People's Party of Mr. Ecevit.

Also coming from Ankara, or more correctly from other parts of Turkey, are people who are being transplanted into Cyprus. Although this has never been admitted officially by Turkey or by the Denktaş administration. It remains a fact, nonetheless, and the numbers involved would appear to exceed the requirement of technicians and "seasonal workers" who, it is acknowledged officially, are coming from the mainland. What is more, there is some evidence, particularly in the Famagusta region, that all is by no means well in relations between Turkish-Cypriots and these people who have arrived from Turkey proper.

In the absence of any official comment, it is difficult to determine the precise motivation for bringing in people from the Turkish mainland, although most Greek-Cypriots insist that it is a deliberate plan to alter radically the population mix in Cyprus as a whole in order to make more acceptable internationally the Turkish-Cypriot claim to close on 40 per cent of the island's territory, although prior to the invasion there was general agreement that Turks represented under 20 per cent of the population.

However, Mr. Denktaş, both in the Vienna settlement talks and in private exchanges, argues that people should not be the sole criterion for land apportionment. Also, he has produced figures showing a considerable reduction since 1911 in the number of Turkish-Cypriot and mixed villages on the island, a reduction which he claims, was in part brought about deliberately by the Greek-Cypriot side both during the EOKA terror period prior to independence and since then by the sectarian policies of Archbishop Makarios and his more militant supporters.

"One conclusion which we can draw," says Mr. Denktaş, "is that the population exchange which was agreed upon in the third round of Vienna talks and implemented fully in September (last) has established in Cyprus not only a population exchange, but also a village and therefore a land exchange. What remains to be

done is to find out what the value of land so exchanged is. Then a question of compensation will arise. Compensation is a matter to be discussed in any case, because the damage done to the Turkish-Cypriots since December, 1963, is immense!"

This thesis, whatever its accuracy—and the figures are certainly disputed on the Greek side—is a matter for negotiations proper. For the moment Mr. Denktaş shows no optimism that a settlement is imminent, and his administration is now setting down to running the affairs of the island under its control. It is, of course, an immense task even in organisational terms, since the minority side has had, for all practical purposes, no administrative structure. "It was," said one official, "not a matter of walking in and taking off from where the Greeks had left. We had to start from scratch."

## Settlers

Turkish Cypriots, most of whom lived virtually outside the island's economic life for well over a decade owing to the inter-communal tension and conflict, did not, following the invasion (or the "peacekeeping operation," as it is defined officially on the Turkish side), have adequate means to reactivate the economy quickly. Capital accumulation, managerial skills, technical knowhow and personnel, hard currency reserves and many other essential ingredients for speedy development were either absent or in extremely short supply. This situation was aggravated by the fact that more than half of the population are new settlers from other parts of Cyprus, many of whom are still by no means fully productive. Infrastructural deficiencies, not least the lack of a modern airport and telephone and telex facilities, were major obstacles, particularly to the promotion of foreign trade and tourism.

Now there is a lot of activity in the Turkish zone of Cyprus. Ercan airport (formerly Tumbou) is being developed and expanded to handle big-bodied aircraft. Greek villages between Ercan and the Turkish sector of Nicosia are now occupied by settlers. In the plain, fields are green with wheat and barley, and something of a small metropolis exists in the Turkish area of the capital, even down to some nasty traffic jams in Atatürk Square. Many items remain in short supply, noticeably spare motor parts, and there are curious near excesses elsewhere. I counted 17

"girlie" magazines, including Playboy and Mayfair, in one shop beside the Saray Hotel—where, incidentally, drinks were not in short supply, but you had the impression that a raid on one particular brand could have exhausted the stocks. On the other hand, Mr. Denktaş himself had me sample personally one of the first bottles of brandy produced on the Turkish-Cypriot side. He did not present it as ultimate proof of economic wellbeing, but simply as an indication that the minority was getting to grips with economic problems, and he certainly expressed optimism that "we're getting to the stage of lift-off."

The facts, as so far as I could see them in a necessarily brief visit to parts of the Turkish-held territory, one that the economy is nowhere as depressed as many Greek-Cypriots think (or perhaps would like to think), but inevitably there are problems and shortages. The Turkish army contingent estimated at some 30,000 officers and men clearly have a tight hold on the area in all matters of security, but the Denktaş Administration is making progress, albeit slowly, and it will be next year at least before it is possible to determine whether the region, not part of Turkey and nowadays not part of Cyprus, at least in terms of the writ of the Makarios Government, can be made viable in economic terms. Certainly, it must remain a major financial burden on Turkey for many years to come and, visibly at least, in the absence of reliable comparative figures, all the signs are that living standards are markedly lower—inevitably there are some few exceptions—than in the majority sector. It is, however, only fair to add, that the Turkish-Cypriot community as a whole gives evidence of feeling "safe and free" for the first time in many years. They will pay a price willingly for that contentment, at least for the present.

Turkish-Cypriot foreign trade has, to an extent, been hampered by the absence until now of good communications, a situation which should be put to right by mid-year when the extended airport is ready and telephone and telex links worldwide are available via Turkey and the international network. But "commercial harassment" continues from the Greek-Cypriots who have successfully applied pressure on most traditional handlers of Cyprus produce, particularly in the U.K., not to touch shipments from the minority sector on the basis that the goods—mainly citrus—come from Greek-owned properties, albeit not ones currently available to their owners. The Turkish-Cypriot administration has, however, succeeded in finding a number of outlets, sometimes by indemnifying in advance an importer from any costs arising from a court case brought or threatened by the Greek-Cypriots, and total exports last year are put officially at 15m. Turkish lira (\$10m.), against imports of three times that figure. Well over half this trade was with Turkey, and the Turkish lira is now "legal currency" in northern Cyprus, even if Cyprus pounds, which also circulate there, usually command a premium over the official rate in the south, a situation which in part may well have its explanation in a certain degree of smuggling. In legitimate trade, Britain is said to be the region's largest trading partner after Turkey.

## Factories

Apart from acquiring more than sufficient housing in the area to accommodate Turkish-Cypriots from the south, the Turkish invasion brought a total of 230 industrial plants of various sizes. The original intention was for the Denktaş administration to take over and itself operate all these factories, but in fact to-day only some 40 of the largest units are run by the administration, the rest having been leased out to private individuals or companies. Practically all units are operating at very low capacity (20 to 50 per cent are unofficial estimates), mainly due to a lack of demand, both domestic and foreign in terms of trading difficulties, and to an absence of sufficient raw materials of a non-priority nature. Turkey itself, of course, is a buyer, and duty-free at that.

Officially, there is an air of confidence, although few senior officials seek to minimise the difficulties ahead. The great unknown, of course, and this is also true on the Greek-Cypriot side, is whether the need is to plan short-term for a crisis situation, whether some political resolution of the Cyprus problem will permit in time a re-integration of the "two economies," or is it to be a permanent divide? The immediate signs are not hopeful, but there is a general hope on the minority side that economic prosperity will emerge gradually under a separate administration. As with many aspects of the entire Cyprus question, realism is not always to the forefront in the debate.

# Exports led by manufactures

"Never in the past has the significance of exports been so great for the economy as at present."

—1976 Budget statement. GOOD PROGRESS is being made by Greek-Cypriots in orienting what is left of productive capacity towards exports. Total exports last year reached £256m. with a particularly significant contribution coming from the manufacturing sector, such as cement (fortunately capacity there had been raised sharply before the invasion), paper and board products, metal goods for the construction industry, leatherware, furniture, clothing and footwear. Indeed, the share of manufactures in total exports rose from 25 per cent in 1974 to close on 42 per cent last year.

Britain remains Cyprus's largest trading partner, but new and potentially important markets are being opened up in a number of Arab countries, and efforts are continuing to expand sales to the USSR and East European countries generally. The first Cyprus International Trade Fair opens on May 15 in a new 270,000 square metre exhibition complex on the outskirts of Nicosia, and it is interesting to note the countries which have already committed themselves to participation: Greece, the USSR, Egypt, Czechoslovakia, Bulgaria, Romania, Yugoslavia, Syria and Libya.

Agricultural exports last year, of course, dropped, since the main products are in areas now under Turkish-Cypriot control. Thus, farm exports at £23m. were some two-thirds lower than in 1973; citrus exports declined by 68 per cent. Preserved fruit and fruit preparations by almost

63 per cent, and carrots by close on 70 per cent. Against that, sales of fresh grapes have more than doubled, and the general European shortage of potatoes, with the consequent sharp price rise, pushed up Cypriot exports by almost one-third to a total value of almost £38m. There was a near 10 per cent drop in wine sales, mainly due to reduced demand in the U.K. the traditional market for Cyprus sherry, but the Ministry of Commerce and Industry is optimistic about major wine sales to the Soviet Union this year, and additional markets are also expected in some EEC countries. Coupled with this advance, there has been some useful import substitution from the situation immediately after the invasion. For example, the majority sector of the island is now once again self-sufficient in eggs, poultry, pork and fresh milk. There is also a developing export using air freight of early season vegetables.

## Processed

Imports have generally been depressed, although they must inevitably increase relatively sharply as the economy again expands, with potential balance of payments difficulties. In the January-September period last year, virtually all import categories declined over the comparable 1974 level, other than a marginal rise in processed foods and beverages and a sharp increase in fuels and lubricants—higher by 62 per cent, mainly due to course to higher world prices. There was a sharp cut-back in imports of machinery, transport equipment and industrial supplies.

However, both in absolute and relative terms, there was a much smaller reduction in exports than imports in the first nine months of 1975 (final official figures are not yet available for the whole of last year), leaving the crude trade deficit at £240m., or just half the level in January-September, 1974, and in fact the lowest recorded since 1970. But as noted elsewhere in this report, this improvement was not reflected in the balance of payments outturn for 1975 as a whole.

This, in total, represents an impressive performance in terms of short-term crisis management of the economy, but it will not do in the medium-term. Direct Government intervention in industrial reactivation is high and rising, risking a major upset to the traditional balance in the Cyprus economy between the State and the private sectors. Private initiative is still slow in expressing itself in tangible projects, and in some instances there have been claims that the Government is delaying unnecessarily in approving planned industrial enterprises envisaged on a partnership basis with both the public and the private sectors, and sometimes with external interests as well. Plans for a glass factory, a salt processing plant and a large fertiliser unit are still in the pipeline since the emergency recovery plan was first published. However, other schemes are moving ahead, spearheaded notably by the big Hellenic Mining Group in co-operation with Japanese and North American companies, the latter involving Noranda in mining exploration.

# Keo Wines

KEO LTD  
The Leading Wine House in Tradition, Science & Technology.

Producers and Bottlers of:  
Cyprus Sherry, Supreme Range and Keo Fino the finest dry Cyprus Sherry for the Connoisseurs.  
Table Wines, Othello, Aphrodite, St. Panteleimon, Bellapais, Rosalia, Hock...  
Commanderie St. John, the wine with the unique tradition throughout the World.  
Brandies, The Five Kings, V.S.O.P., V.O...  
Ouzo and a Variety of Liqueurs.  
Concentrated grape juice.

Suppliers of the UK Cyprus Sherry Brands of Monte Cristo, Mosaic, Belynda...  
KEO BEER supplied both in bottles and canned.

Address in Cyprus: KEO LTD Limassol. Telephone: 051 - 62053 Telex: 2449  
Address in U.K.: Cyprus Wines (KEO) Ltd., Grafton Lane 711 - 712  
Telephone 01 - 947 2177



The Cyprus Cream Sherry region of KEO



HELLENIC BANK LIMITED

(Affiliated with Bank of America NT & SA)

We commenced operations on January 2 of this year and through one of our major shareholders, Bank of America NT & SA, we offer a full range of Local and International Banking Facilities.  
The Hellenic Bank Limited  
Invites your enquiries and offers to be of service for your dealings with Cyprus  
Hellenic Bank Ltd, 30 Homer Ave, P.O. Box 4747, Telephone 47000, Telex 3311 Hellenic  
Nicosia - Cyprus

## THE AGRICULTURAL PRODUCTS CO-OPERATIVE MARKETING UNION LTD.

An Associated Grower's Organisation under the Cyprus Co-operative Law

Specialist Packers and Exporters of Agricultural Products from Cyprus:

CITRUS FRUITS  
CARROTS  
GRAPES  
POTATOES  
MELONS  
BEETROOTS  
GREEN VEGETABLES

Supplied under the Brands of Traditional Excellence

"CYPRINA" "ZAKAF" AND "CORAL BAY"

Head Office:  
Co-operative Bank Building  
P.O. Box 4538 NICOSIA  
CYPRUS  
Telex Nos: 3085 ZAKAFRUIT  
2775 ZAKAF  
Phones: 41173 41188

U.K. Office:  
88/90, Farringdon Road,  
London, E.C1  
Telex No: 22648 CYCOOPS  
Phone: 378 1855/68

Correspondents and Agents in all main Continental Centres

AN ORGANIZATION TO DEAL WITH  
IN-CONFIDENCE AND SAFETY

## C. S. V. E. G. E. P.

Co-operative Canning Industries

### NICOSIA—CYPRUS

PRODUCERS AND CANNERS OF:

CITRUS JUICES  
GRAPES JUICES  
TOMATO JUICE & PASTE  
FRUIT JAMS & MARMALADES  
CITRUS & OTHER FRUITS SEGMENTS  
CANNED FRUITS & FRUIT SALADS  
CANNED VEGETABLES  
DEEP FROZEN VEGETABLES

EXPORTS ALL OVER EUROPE AND MIDDLE EAST STATES UNDER THE BRAND OF TRADITION AND SAFETY

cyprina

For information and price list please apply:  
CYPRUS H.O. P.O. Box 4538, Telex 3110 SEVEGEOP  
U.K. Office: 88/90 Farringdon Rd., London, E.C1

Telex 22649

Ready to Serve—Ready to Supply

## ALL TYPES OF GENUINE WINES & SPIRITS

—awarded silver and gold medals in many recent international exhibitions.

Sherry—all types  
Exquisite Wines  
Commandaria and Table Ports  
Concentrated Grape Juices  
Brandies

P.O. Box 314  
Limassol—Cyprus  
Cables—VINUNION

## THE VINE PRODUCTS CO-OPERATIVE MARKETING UNION LTD

YCO-OPS  
LONDON  
THE GENERAL SERVICES  
CYPRUS CO-OPERATIVE  
ORGANIZATION (CYCO-OPS) LTD

LONDON OFFICE:  
88/90 FARRINGTON ROAD  
LONDON EC1R 3EA  
Phone: 01-378 1855 (4 lines)  
Telex 268901 & 22649  
Cables: CYPRUS COOP  
LONDON

Cyprus Co-operative Organization's U.K. and Continental Office for:  
Marketing—Sales and Distribution of Cyprus Products.

Whether you want to sell or buy from Cyprus, it is to your interest and advantage to contact the Cyprus Co-operatives.

For information, apply to:

Mr. Andreas Azinas,  
Commissioner Cyprus Co-operative Development,  
P.O. Box, 4538, Phone No. 15604. Telex 3110 & 2278.  
NICOSIA-CYPRUS



**D. COUVAS & SONS LTD.**

**P.O. BOX 35**  
**LIMASSOL-CYPRUS**

TEL. NOS: 62522, 62550,  
62519, 64286.  
TELEX: 2336.

**LEADING LITHOGRAPHERS**  
**IN THE MIDDLE EAST**

*Packaging Material Experts*  
*with World-wide Export Trade*

**INDUSTRIAL MINERALS****FOR EXPORT PELÉTICO****HIGH GRADE BENTONITE (BENTOCYP)**

FOR

- ★ DRILLING MUD as per OCMA specification
- ★ FOUNDRIES
- ★ IRON ORE PELLETISATION
- ★ ENGINEERING WORKS
- ★ CATTLE FEED

**GYPSUM ROCK**

FOR

- ★ CEMENT MANUFACTURE
- ★ PLASTER

**BUILDING MATERIALS**

PERLITE PRE-MIXED PLASTER  
EXPANDED PERLITE • CASTING PLASTER  
PAINTS • ADHESIVES

**MANUFACTURING LICENCES FROM**

- ★ BRITISH GYPSUM LTD., U.K.
- ★ I.C.I. U.K.
- ★ DONALD MACPHERSON & CO. LTD., U.K.

All export enquiries to:  
**PELETICO LTD., NICOSIA, CYPRUS**  
P.O. BOX 1524, TELEX 2520

**COMPUTER CENTER LTD**

For your data processing needs in the Middle East, our organisation is able to offer the full range of

**COMPUTER SERVICES:**

- SYSTEMS ANALYSIS
- PROGRAMMING
- DATA PREPARATION
- PROCESSING

For further information:

**COMPUTER CENTER LTD**  
P.O. Box 3520, Tel. 021-42053.  
Telex 2527  
NICOSIA, CYPRUS.

**C. S. PAPACOSTA & SONS**

Manufacturers  
THRASHING MACHINES—  
TURBINES AND  
DRILLING CONTRACTORS

Paphos Cyprus  
Tel. 32245, P.O. Box 91,  
Telex 2456

Amman — Jordan  
Tel. 25191, P.O. Box 18,  
Telex 1490

**COSTAS JOANNOU & BRO**

P.O. Box 1770,  
NICOSIA — CYPRUS

**EXPORT:**

Gold and Silver  
Jewellery and Silverware

**CYPRUS IV**

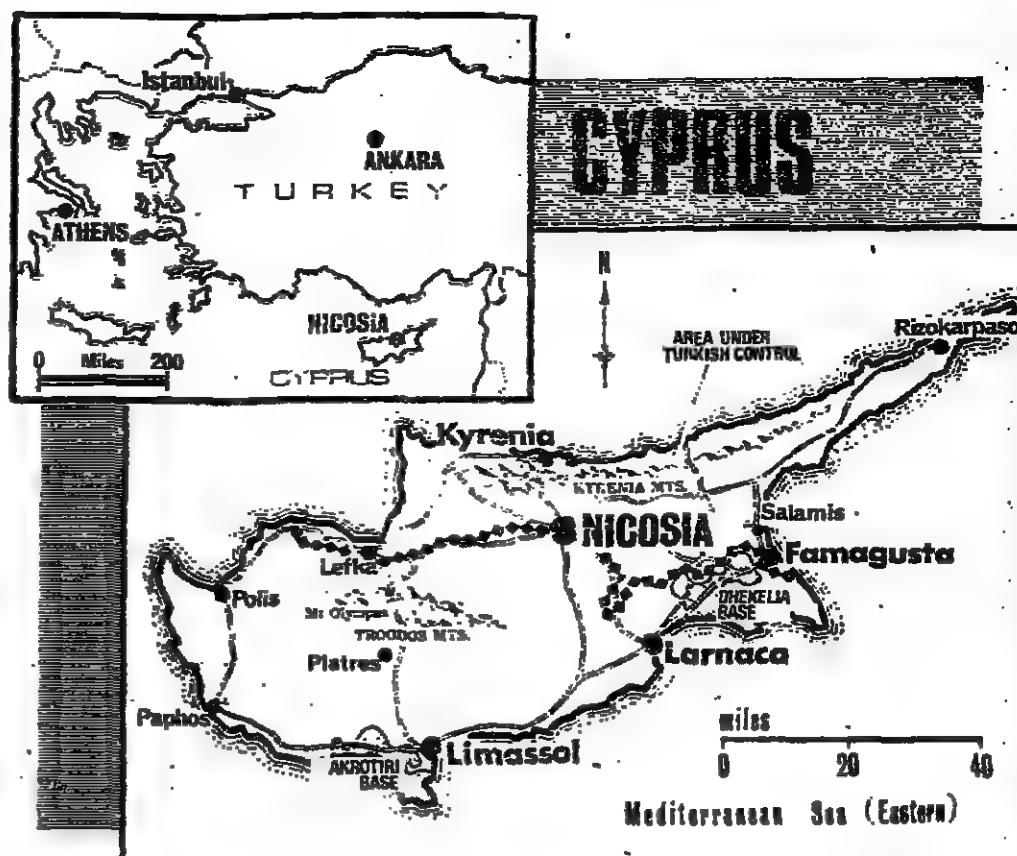
# The tourist trade soldiers on

THE GOVERNMENT'S Third Five-Year Development Plan projected originally that the island as a whole would attract 444,000 tourists in 1976 yielding an estimated revenue of EC42m. and utilising an infrastructure of 26,000 tourist beds. Now the hope is that this year there will be 75,000 long-stay visitors to the part of the island under the writ of the Cyprus Tourism Organisation, a region which is reduced to just over 4,000 tourist beds, with another 1,000 scheduled to become available at the end of next month. Last year, excluding day visitors, there were 47,000 tourists and they spent an estimated EC8m. In 1973, the last full year prior to the Turkish invasion, Cyprus attracted more than 250,000 tourists and a revenue in the region of EC30m.

Tourism, of course, has for many years occupied a key position in the island's economy. In 1973 it contributed more than 15 per cent. of total earnings on current account and employed in all its aspects some 10,000 people—many of whom incidentally are now working in Greece. The invasion and the effective partitioning of the island has left four-fifths of all tourist beds in the Turkish-held sector, mainly at Famagusta and Kyrenia. Nicosia International Airport remains closed since the war to civilian traffic and Cyprus Airways, the national carrier, is endeavouring to rebuild its fleet, all its aircraft being either damaged in the fighting or still trapped in Nicosia.

**Terminal**

Yet despite all this, Cyprus is now once again being promoted internationally as a tourist centre. Larnaca Airport in the south is being extended, including a new terminal building to handle 300 people, and will shortly handle direct DC-8 flights from London, Frankfurt, Damascus and Bahrain. In November of last year British Airways, in conjunction with Cyprus Airways, started services from London with a refuelling stop at Salonia, and just before Christmas there was the first non-stop passenger flight from London since July, 1974. Olympic and Cyprus Airways have regular services between Larnaca and Athens, and the local carrier is also serving Tel



Aviv and Beirut. There will be a number of Scandinavian charters this summer, as well as from other countries, including Czechoslovakia.

The marketing campaign of the Cyprus Tourism Organisation is being concentrated principally in Britain, West Germany, Scandinavia, Greece, France, Benelux, the U.S. and the Middle East, and preliminary indications for the coming season are said to be extremely encouraging. The big problem, of course, is the loss to the Turkish-Cypriot region of virtually the whole of the island's tourist infrastructure, not just hotels, but also beaches and supporting amenities. All the evidence suggests that the limitation on tourist numbers this year will be the number of actual beds available, and many new projects already approved (and for which generous Government loans are available) will not be completed in time for the new season.

Four hotel units with a total capacity of 500 beds are scheduled for Paphos in the south-west, and two of these

units are already under construction. Three units with a similar capacity are going up in Limassol, two in Larnaca (capacity 170 beds) and two at Aya Napa with a total of 200 beds. The Cyprus Tourism Organisation is itself planning a number of further projects, including the creation of a new public beach in Limassol with a swimming pool, tennis courts, sports facilities, a restaurant and cafeteria. A generally similar project is earmarked for Larnaca, and possibly a third for Paphos. A new tourist pavilion is being constructed near Petra Tou Romiou.

It is all pretty small stuff, considering what was lost by the Greek side in the invasion, but it is a start to the reconstruction of the tourist industry and, understandably, the Makarios Government cannot give a high priority to investment in the tourist sector, given the more pressing demands on it from other immediately more relevant projects in terms of a reactivation of the general economy, primarily in the industrial and agricultural areas.

Limassol and Paphos already

have their own attractions, as indeed they have had for many years, but to most old Cyprus travellers, they are no match for Famagusta and Kyrenia in pre-invasion times. What has not changed, of course, is the friendliness and hospitality of its people. Prices too remain competitive particularly when you consider that Cyprus is continuing with its traditional up-market position in the league of tourist countries. No one, for example, can complain about an hotel bed and breakfast up in the Troodos Mountains during the skiing season for less than £5 a head.

**Packages**

Most of the U.K. tour operators who have traditionally featured Cyprus have resumed promoting the island, or rather the Greek-Cypriot sector, and many attractively-priced packages are now on offer for 1978. Last year some 40 per cent. of all tourists were British, and this ratio is expected to be maintained this year. The other big market sectors for the Cyprus Tourism Organisation being Germany and Scandinavia, particularly Sweden. Cyprus is also becoming a favoured holiday centre with foreigners working in the Gulf Arab States.

The political crisis remains in Cyprus, but visitors need have no fear in present circumstances for their safety: indeed, as noted elsewhere in this Survey, Cyprus is probably more peaceful now than at any time since 1963, even if it is a peace (whether temporary or permanent) bought at a terrible price. Secondly, the Makarios Government has declared forbidden all ports in the Turkish-held area, a decree which of course it is in no position to enforce, other than to dictate that "tourists are allowed to enter Cyprus only through the Larnaca airport and the harbours of Larnaca, Limassol and Paphos." There is no freedom of movement between the two sectors.

## Turkish plans

GREEK-CYPRIOTS have traditionally been the hotel operators and restaurateurs of the island, although there are notable exceptions, not the least some excellent Kebab houses run by Turkish-Cypriots. To-day, however, most of the island's tourist facilities are in Turkish-held territory, including an estimated 10,000 hotel beds. The vast tourist complexes in the Famagusta region and, to a much lesser extent, in the northern harbour town of Kyrenia are virtually all under Turkish-Cypriot control, although of course the question of ownership is a different matter entirely.

Unlike other Greek-Cypriot areas, the new town of Famagusta has not been resettled with Turkish-Cypriots (giving rise to expectations—or at least to hopes—that it is negotiable as part of any territorial settlement), but many hotels in the region are operating and are being offered as part of extremely inexpensive holiday packages to Turks on the mainland. For example, one week's full board at the big Salamis Bay Hotel, including the round-trip by air from Turkey, is on offer for less than £70.

Much cheaper packages are available, either with second class hotels or transport by sea, and at times last summer it seems that the only restriction was the limited capacity on the ships.

The Turkish-Cypriot administration, and particularly Mr. Caglar Yasal, the man with responsibility for tourism development, believe that there will be a major increase in the number of arrivals this season with the greatly expanded facilities at Ercan Airport and with new seaborne capacity. Official sources say that there were

58,000 tourist-arrivals last year, virtually all of them from Turkey itself, representing an income of 350m. Turkish lira (\$24m.). The administration is projecting a 60 per cent. increase this year and believes that one-fourth of the total will be from Western Europe. It remains to be seen, however, which carriers will join Turkish Airlines in services into Ercan, but Mr. Yasal is optimistic that the opening of the modern airport scheduled for May will bring contracts from European tour operators, travel agencies and airline companies.

## Wounds

CONTINUED FROM PAGE 1

promise: a rigid position which is facilitated, of course, by the overwhelming Turkish military superiority on the island. The Turks will talk about territorial concessions (but will hardly reduce their control to the 25 per cent. which the Archbishop has set as an upper limit in private exchanges with President Ford and Secretary of State Kissinger), and the powers of a new central government are negotiable, as is the content of any new constitution.

The attitude of the Archbishop is equally firm. As between accepting an unsatisfactory situation imposed by force, namely the status quo, and a negotiated settlement requiring his personal approval, and perhaps only marginally better to the Cypriot majority in terms of territory, and with a weak central government, he would undoubtedly prefer the former in the hope that in changed times and altered circumstances "something may turn up." The present indications are that he is planning for a long haul, while all the time hoping that somehow America, Russia or the EEC will succeed ultimately in exerting pressure on Turkey to give ground, to restore something like the pre-invasion territorial and constitutional balance between the two communities. His diplo-

matic strategy is to garner as much Third World support as possible, together with some backing from the Arab countries, in order to maintain an anti-Turkey offensive at the UN and other international forums.

Indeed, what Makarios fears most is a "de-internationalisation" of the Cyprus problem, that the world will forget Cyprus while Turkey consolidates her position on the island.

His fears could be well founded, although both the Archbishop and the Karamanlis Government are hoping that when Mr. Hasan Sabri Caglayangil, the Turkish Foreign Minister, visits Washington in two weeks' time, he will come under strong pressure from the Ford Administration to offer substantial territorial and constitutional concessions in Cyprus before a resumption of Sun.

the next Vienna round of peace talks in May.

The Caglayangil visit is, in fact, concerned primarily with the future of U.S. base facilities in Turkey, but the two issues are related directly, and Archbishop Makarios would not object if the American presence in Greece was also added to the equation. That, ultimately, is for the Karamanlis Government to decide. Even if the Archbishop occasionally gives the impression that he can "deliver" the Greek people to support his own policies on Cyprus, his actual capacity so to do must remain in considerable doubt, but there is—or at least there should be—no real doubt about his determination, at whatever cost in Great Power politics or to Greek-Turkish relations, to ensure in so far as he is able that the world does not forget "the Garden in the

**Want to sell in Cyprus?**

We are one of the leading importing companies in Cyprus. Our business is foodstuffs, household materials and machinery, packing materials, animal foods and with a comprehensive sales organisation we cover effectively the whole market. If you have a product in the above categories, sell in our market please contact us.

**Stellios Tryfon & Sons Ltd**  
P.O. Box 1195, 20a King Paul Street, Tel. (021) 4  
Telex 2315 - Cables Stellios-Nicosia, Cyprus  
IMPORTERS — STOCKISTS AND DISTRIBUTORS  
COMMISSION AGENTS

**Looking for an opening in the Arab countries?**

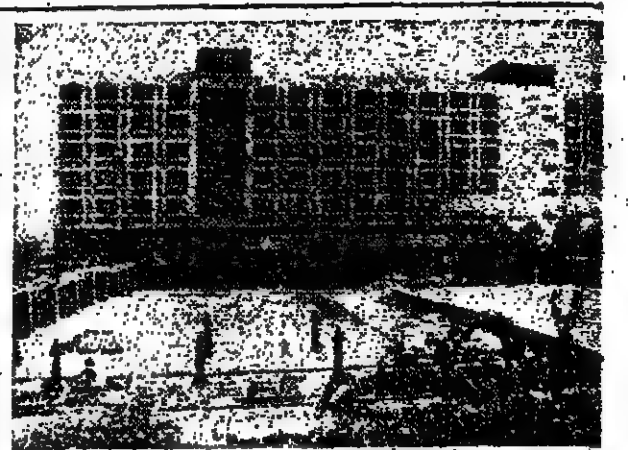
We are specialists in selling and promoting Indian materials and machinery to the Arab countries. We have established excellent business relations with many firms who manufacture foodstuffs, beverages, cosmetics, detergents and various other products of a similar nature.

Our major product groups are cartons, laminates, films and packing, filling, wrapping, processing machines.

We have offices in Beirut, Amman, Cairo and Ja as well as Sales Representatives who visit the area regularly.

If you think we can handle your products, we get in touch with us.

**CYPAC MIDDLE EAST LTD**  
P.O. Box 4591, Tryfon Bldg., Eleftheria Sq.  
Tel. (021) 76381. Telex 2167.  
Cables Cypac, Nicosia, Cyprus.



## The Cyprus Hilton

NICOSIA, CYPRUS

Your business contact in Nicosia, Cyp  
The only five star hotel in Nicosia

150 beautifully appointed rooms and suites. Each room its own balcony, private bath and shower, filtered ice multi-channel radio; fully air-conditioned.

Offering a complete line of services, such as efficient tele and telex service, stenographers, 24-hour coffee shop & cory grillroom, bar, room service, same-day laundry service, private meeting and function rooms, heated swimming pool, tennis courts, beautiful gardens. A complete shops, bank, taxi stand, car rental facilities, etc.

**CYPRUS TELECOMMUNICATIONS****AUTHORITY (CYTA)**

CYTA is a Public Corporation responsible for provision, maintenance and development of a comprehensive local and overseas telecommunications system.

**SERVICES PROVIDED**

- 24-hour Inland and overseas automatic telephone graph and telex service.
- 24-hour radio telegraph and radiotelephone service ships at sea.
- Telecommunication service with aircraft within Cyprus Flight Information Region.

**GENERAL**

In spite of the heavy losses sustained because of Turkish invasion in July 1974 (one-third of the Authority's subscribers, one-third of its installations and nearly 50 per cent of its income were lost), the Authority reacted drastically to meet the most important of its commitments as follows:

- a. Laying of two submarine cables, one with Lebanon and the other with Lebanon, in December, 1977 commissioning of same early in 1978.
- b. Introduction of International Subscriber Dial service in June, 1975.
- c. Putting into operation of a new computerised multi-plex exchange for local and overseas calls in April, 1975.
- d. Installation of approximately 5,000 new exchange telephone lines in 1975.
- e. Introduction of new electronic coin collecting for automatic local, trunk and overseas dial 1975.



## UNIVERSAL LIFE

INSURANCE COMPANY LIMITED

**HEAD OFFICE**

Palace Princess Zena de Tyr  
P.O. Box 1270 Nicosia Cyprus  
Telephone 45205

specialists  
in all classes  
of life assurance  
and pension schemes  
in Cyprus



## CYPRUS INTERNATIONAL (STATE) FAIR

15th MAY — 6th JUNE 1978.

At the very axis where the industrially developed Europe meets the developing countries of Asia and Africa, the CYPRUS INTERNATIONAL (STATE) FAIR, with its modern and up to date Exhibition grounds, will cater not only for the needs of the thriving and rapidly expanding economy of the island, but also serve the interests of both the countries of the Middle East and the industrialized countries of the West that look to this geographical area as a potential market for their products.

Moreover the planned forthcoming INTERNATIONAL SPECIALISED EXHIBITIONS will play a significant role in establishing the Cyprus Fair as a major Commercial Exhibition Centre of the Eastern Mediterranean.

For further information apply to:

THE CYPRUS STATE FAIRS AUTHORITY  
P.O. Box 5551, Telephone 021-48913, Telex 3344, Cables KYPROFAIR, Nicosia, Cyprus.



## Jupiter Electrical Ltd.

ELECTRICAL &amp; MECHANICAL ENGINEERING CONTRACTORS

ESTABLISHED 1948

Jupiter have executed Contracts in the Middle East, Asia, Africa, the Indian Ocean, the Mediterranean area, etc.

OUR KNOW—HOW IS YOURS FOR THE ASKING.

HEAD OFFICE  
2, ARISTOTELOUS STR.  
Postal Address: P.O. Box 1  
NICOSIA, CYPUS  
Cables: MELCO, NICO  
Telex: 2420 MEL  
Telephone: 7231 C.S.



# ARMING AND RAW MATERIALS

## World rice output to rise sharply

WASHINGTON, March 10. NATIONAL CROPS IN Asia have helped push world output to an estimated 352.4m tonnes, the Agricultural Department said in its latest estimate, based on data collected around 8,000 hectares on a 7 per cent increase in the output of 328.7m tonnes. The increase in rice output is due to a 7.2m tonne increase in the output of 328.7m tonnes, the Agricultural Department said in its latest estimate, based on data collected around 8,000 hectares on a 7 per cent increase in the output of 328.7m tonnes.

## Tray issues rising limits proposals

OSLO, March 10. A bill setting limits on the export of fish and fish products is being introduced in the Norwegian Parliament. The bill, which will be introduced in the Parliament, will set limits on the export of fish and fish products.

## Copper leads metal market rise as sterling weakens

BY JOHN EDWARDS, COMMODITIES EDITOR

METAL PRICES surged up again on the London Metal Exchange yesterday reflecting the further fall in the value of sterling. Copper led the rise with three months wirebars closing above \$700 a ton for the first time since September 1974. Zinc prices rose still more on a percentage basis to reach their highest since October 1974 while tin, lead and silver values also moved up.

## Details of EEC feed deposit plan

BRUSSELS, March 10.

THE EEC COMMISSION is proposing that its protein feed deposit scheme should be implemented at 2300 GMT, March 31, for Community products. A maximum deposit of 30 units of account per tonne is envisaged, the sources said, and will not be refundable unless feed compounds are sold.

## More Soviet buying of grain predicted

WASHINGTON, March 10.

Partially offsetting smaller production, the Department now forecasts world consumption of wheat at 345.1m tonnes, against 342.2m tonnes forecast earlier, and 6.5m tonnes less than was used globally last season.

## Move to cut butter price rise

BY PETER BULLER

BRITAIN'S BUTTER traders are working on a scheme which could trim the big rise in butter prices due over the next few weeks. Butter prices will have to rise by 7p to 8p a lb from next Monday because of the next annual step upwards in U.K. prices towards EEC levels and because of a rise in Common Market dairy prices agreed last week.

## Lower world coffee crop

WASHINGTON, March 10.

THE U.S. AGRICULTURE Department (USDA) has reduced its estimate of world 1975-76 coffee production to 71.6m-80.1m bags, nearly 900,000 bags less than its previous estimate made early in January, and 10 per cent below the 1974-75 estimated world output.

## Brazil suspends sugar exports

BY OUR COMMODITIES STAFF

THE BRAZILIAN Sugar and Alcohol Institute is suspending sugar export shipments until the next harvest, because of the scarcity of sugar on the local market and the current low price on the world market.

## Maltese plan state farms

By Our Correspondent

MALTA, March 10. The Maltese Government has announced plans to create 500 farms out of State-owned barren land. These would be farmed by 1,500 people, many of whom would be recruited into a new volunteer labour organisation.

## COMMODITY MARKET REPORTS AND PRICES

### BASE METALS

Base metals in general continued to rise in the London market yesterday, with copper leading the advance. The price of copper rose to a new high of 105.00 pence per lb, while zinc rose to 100.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### THIS IS A BULL MARKET

best money making opportunities during next two years will be in commodities metals—the emerging bull market.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.

### IMPANITY TICES

IMPANITY TICES prices rose in the London market yesterday, with the price of impanity tices rising to 10.00 pence per lb.

### COCA

COCA prices rose in the London market yesterday, with the price of cocoa beans rising to 10.00 pence per lb.

### COFFEE

COFFEE prices rose in the London market yesterday, with the price of coffee beans rising to 10.00 pence per lb.

### MEAT/VEGETABLES

MEAT/VEGETABLES prices rose in the London market yesterday, with the price of meat rising to 10.00 pence per lb.

### U.S. Markets

U.S. Markets prices rose in the London market yesterday, with the price of U.S. goods rising to 10.00 pence per lb.



## Equities make modest progress in quiet trading

### Share index up 2.7 at 414.1—Properties still nervous

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Drill in its



# AUTHORISED UNIT TRUSTS

[illegible]

## INSURANCE, PROPERTY, BONDS

[illegible]

# DERS AND LAGGARDS

[illegible]

## CLASSIFIED ADVERTISING RATES

	Per single column centimetre
ments	£10.00
ial and Business Property	£10.00
se Opportunities	£12.00
in depth—Three single column centimetres.	
num positions available—rates on request.	
to: Classified Advertisement Manager,	
icial Times, 10, Cannon Street, EC4A 3BY.	

[illegible]

## OFFSHORE AND OVERSEAS FUNDS

**APOLLO**  
 Edited by Denis Sutton  
**The world's  
 leading magazine of  
 Arts and Antiques**  
 Published Monthly price £1.25  
 Annual Subscription £16.00 (Inland)  
 Overseas Subscription £18.00  
 USA Air Assisted \$48  
 Magazine, Broken House, 30, Cannon Street, London.  
 EC4A 3BY. Tel. 01-248 8000

<b>Allegiance Arbitration (C.I.) Limited.</b> P.O. Box 122, St. Helier, Jersey, GU94 3SSJ. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Management Co. Ltd.</b> P.O. Box 1549, Hamilton, Bermuda. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211.	<b>Corbitt Inc. (Guernsey) Ltd.</b> P.O. Box 157, Peter Paul, Guernsey. Tel: 01474 51211. Next dealing day Mar. 10. <b>Darling Management Ltd.</b> 14 Kent St., Sydney, N.S.W., Australia. Darling Fund - 01474 51211. <b>Delta Group</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Dreyfus International Inv. Fd.</b> P.O. Box 15712, Nassau, Bahamas. NAV Mar. 3 - 01474 51211.	<b>G.T. Management (Asia) Ltd.</b> Hutchinson Hse., Raffles Rd., Hong Kong. Tel: 01474 51211. Next dealing day Mar. 10. <b>Hambros (Guernsey) Limited</b> P.O. Box 157, Peter Paul, Guernsey 0451 25251. C.I. Fund Mar. 3 - 01474 51211. <b>Haupt Management Ltd.</b> 20 St. Helier, Jersey. Haupt Fund - 01474 51211. <b>Oliver Heath and Co. (H.M.) and G.L.</b> 14 Irish Place, Tel. 01474 51211. Warrants Fund - 01474 51211.	<b>King &amp; Sherson Mgrs. Jersey Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Kleinwort Benson Ltd. Agts.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lamont Investment Mgmt. Ltd.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lloyds Bk. (C.I.) U.T. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Negative Intl. Fnd. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Old Court Commodity Fd. Mgrs. Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Save &amp; Prosper (Jersey) Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Target Trust Mgrs. (Cayman) Ltd.</b> P.O. Box 710, Grand Cayman, Cayman Is. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Holdings N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Bldgs. (Seaboard) N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10.
<b>Allegiance Arbitration (C.I.) Limited.</b> P.O. Box 122, St. Helier, Jersey, GU94 3SSJ. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Management Co. Ltd.</b> P.O. Box 1549, Hamilton, Bermuda. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211.	<b>Corbitt Inc. (Guernsey) Ltd.</b> P.O. Box 157, Peter Paul, Guernsey. Tel: 01474 51211. Next dealing day Mar. 10. <b>Darling Management Ltd.</b> 14 Kent St., Sydney, N.S.W., Australia. Darling Fund - 01474 51211. <b>Delta Group</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Dreyfus International Inv. Fd.</b> P.O. Box 15712, Nassau, Bahamas. NAV Mar. 3 - 01474 51211.	<b>G.T. Management (Asia) Ltd.</b> Hutchinson Hse., Raffles Rd., Hong Kong. Tel: 01474 51211. Next dealing day Mar. 10. <b>Hambros (Guernsey) Limited</b> P.O. Box 157, Peter Paul, Guernsey 0451 25251. C.I. Fund Mar. 3 - 01474 51211. <b>Haupt Management Ltd.</b> 20 St. Helier, Jersey. Haupt Fund - 01474 51211. <b>Oliver Heath and Co. (H.M.) and G.L.</b> 14 Irish Place, Tel. 01474 51211. Warrants Fund - 01474 51211.	<b>King &amp; Sherson Mgrs. Jersey Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Kleinwort Benson Ltd. Agts.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lamont Investment Mgmt. Ltd.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lloyds Bk. (C.I.) U.T. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Negative Intl. Fnd. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Old Court Commodity Fd. Mgrs. Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Save &amp; Prosper (Jersey) Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Target Trust Mgrs. (Cayman) Ltd.</b> P.O. Box 710, Grand Cayman, Cayman Is. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Holdings N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Bldgs. (Seaboard) N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10.
<b>Allegiance Arbitration (C.I.) Limited.</b> P.O. Box 122, St. Helier, Jersey, GU94 3SSJ. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Management Co. Ltd.</b> P.O. Box 1549, Hamilton, Bermuda. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211.	<b>Corbitt Inc. (Guernsey) Ltd.</b> P.O. Box 157, Peter Paul, Guernsey. Tel: 01474 51211. Next dealing day Mar. 10. <b>Darling Management Ltd.</b> 14 Kent St., Sydney, N.S.W., Australia. Darling Fund - 01474 51211. <b>Delta Group</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Dreyfus International Inv. Fd.</b> P.O. Box 15712, Nassau, Bahamas. NAV Mar. 3 - 01474 51211.	<b>G.T. Management (Asia) Ltd.</b> Hutchinson Hse., Raffles Rd., Hong Kong. Tel: 01474 51211. Next dealing day Mar. 10. <b>Hambros (Guernsey) Limited</b> P.O. Box 157, Peter Paul, Guernsey 0451 25251. C.I. Fund Mar. 3 - 01474 51211. <b>Haupt Management Ltd.</b> 20 St. Helier, Jersey. Haupt Fund - 01474 51211. <b>Oliver Heath and Co. (H.M.) and G.L.</b> 14 Irish Place, Tel. 01474 51211. Warrants Fund - 01474 51211.	<b>King &amp; Sherson Mgrs. Jersey Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Kleinwort Benson Ltd. Agts.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lamont Investment Mgmt. Ltd.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lloyds Bk. (C.I.) U.T. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Negative Intl. Fnd. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Old Court Commodity Fd. Mgrs. Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Save &amp; Prosper (Jersey) Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Target Trust Mgrs. (Cayman) Ltd.</b> P.O. Box 710, Grand Cayman, Cayman Is. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Holdings N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Bldgs. (Seaboard) N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10.
<b>Allegiance Arbitration (C.I.) Limited.</b> P.O. Box 122, St. Helier, Jersey, GU94 3SSJ. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Management Co. Ltd.</b> P.O. Box 1549, Hamilton, Bermuda. Tel: 01474 51211. Next dealing day Mar. 10. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Allegiance Selection Fund NV</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211.	<b>Corbitt Inc. (Guernsey) Ltd.</b> P.O. Box 157, Peter Paul, Guernsey. Tel: 01474 51211. Next dealing day Mar. 10. <b>Darling Management Ltd.</b> 14 Kent St., Sydney, N.S.W., Australia. Darling Fund - 01474 51211. <b>Delta Group</b> P.O. Box 3012, Nassau, Bahamas. Delta Inv. Mar. 3 - 01474 51211. <b>Dreyfus International Inv. Fd.</b> P.O. Box 15712, Nassau, Bahamas. NAV Mar. 3 - 01474 51211.	<b>G.T. Management (Asia) Ltd.</b> Hutchinson Hse., Raffles Rd., Hong Kong. Tel: 01474 51211. Next dealing day Mar. 10. <b>Hambros (Guernsey) Limited</b> P.O. Box 157, Peter Paul, Guernsey 0451 25251. C.I. Fund Mar. 3 - 01474 51211. <b>Haupt Management Ltd.</b> 20 St. Helier, Jersey. Haupt Fund - 01474 51211. <b>Oliver Heath and Co. (H.M.) and G.L.</b> 14 Irish Place, Tel. 01474 51211. Warrants Fund - 01474 51211.	<b>King &amp; Sherson Mgrs. Jersey Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Kleinwort Benson Ltd. Agts.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lamont Investment Mgmt. Ltd.</b> 25 Abchurch Lane, London, E.C. 4. Tel: 01474 51211. Next dealing day Mar. 10. <b>Lloyds Bk. (C.I.) U.T. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Negative Intl. Fnd. Mgrs.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Old Court Commodity Fd. Mgrs. Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10. <b>Save &amp; Prosper (Jersey) Ltd.</b> 14 Charing Cross, St. Helier, Jersey. 0534 29041. Tel: 01474 51211. Next dealing day Mar. 10.	<b>Target Trust Mgrs. (Cayman) Ltd.</b> P.O. Box 710, Grand Cayman, Cayman Is. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Holdings N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10. <b>Taylor Pacific Bldgs. (Seaboard) N.V.</b> Intelle Management Co. N.V., Curaçao. Tel: 01474 51211. Next dealing day Mar. 10.







مكتبة ابن بطوطة

**MINES—Continued**

**FAR WEST RAND**

440	315	Ang. Am. Coal 50c...	340ad	+15	MO38c	2.85	5.
420	235	Ang. Amer. 10c...	265	-5	Q33c	0	6.

DIAMOND AND PLATINUM						
35	£15	Anglo-Am Inv 50c	£20	.....	Q290c	1.0
46	48	Banquegate P't. 10c	74 1/2	.....	104 1/2c	3.0
35	16 1/2	De Beers M. 5c	232	+12	Q28c	7.0

CENTRAL AFRICAN						
45	80	Coronation 25c	95	-5	Q34c	2.1/19.
50	90	Falcons Rh.50c	95	-5	1035c	1.3 —
52	27	Globe Phoenix 15p	33	.....	1.25	0.2 6.

AUSTRALIAN						
28	10	Acmen 25c	21	.....	—	—
54	95	A. M. and S. 50c	154	+7	97c	2
22	74	Broomfield 50c	122	+2	90c	4

35	117	1011 Bridge 25c	224	+6	100%	1.8	
35	75	M. Lyell 25c	80		100%	2.4	
3	15	Newmetal 10c	2				
69	102	North B. Hill 3c	150	+2	99%	1.4	3.
16	4	North Kaig. 50c	6				
88	47	Clarkbridge 5.10	71		100%	0.9	6

26	8	Western Min. Soc.	12	.....	—	—	—
9	4	Western Min.	6	+1	—	—	—
14	134	W. Mining Soc.	158	+8	108c	0.8	—
54	24	White Creek Soc.	37	+1	—	—	—

46	153	Geedor	185	+8	112	23
128	8	Gold & Base 12ip	17			
28	257	Gopeng Cons	175	+10	11.0	1.8
73	55	Hongkong	64			
170	40	Indic 10p	65		6.7	2.2
73	4					15

65	40	Pengkalan 10p	46	7.0	1.5	23.
12	75	Pekalongan \$31	109			
36	8	Sant Pira	33	+5		
35	68	South Korea 10p	85	+2	\$9.5	1.5
80	73	Sibu, Malaya	123	+3	10.7	8.9
82		Singapore 50p	31		16.0	3.8

COPPER									
12	42	Botswana FST R2...	52	+2	—	—	—	—	—
90	170	Mexico RB 50.....	200	+5	Q35c	1.9	9.7	—	—

**MISCELLANEOUS**

91	80	R.T.2	193	+3	85.51	4.4	4.4
95	47 $\frac{1}{2}$	Sabine Inds. CSI	107	+2	—	—	—
91	45	Stanford Mines	45	—	—	—	—
12 $\frac{1}{2}$	87 $\frac{1}{2}$	Tara Expln. \$1	£107 $\frac{1}{2}$	+4 $\frac{1}{2}$	—	—	—
92	38	Yukon Cons. CSI	115	+2	—	—	—

Prices and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts, and, where possible, are updated on half-yearly figures; they are adjusted to A:T of 35 per cent. P/E's are calculated on the basis of the "all" distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "full" distribution. Covers are based on

bearing denominated securities which involve investment  
 dollar premium.  
 "Tap" Stock.  
 Highs and Lows marked thus have been adjusted to allow for  
 rights issues for cash  
 Interim since increased or resumed.

Indicated dividend after pending scrip and/or rights issues.  
Cover relates to previous dividend or forecast.  
Free of Stamp Duty.  
Merger bid or reorganisation in progress.  
Not comparable.  
Some information: reduced final and/or reduced earnings.

Excluding a final dividend declaration.  
Regional price.  
No par value.  
Tax free. <sup>b</sup> Figures based on prospectus or other official  
estimate. <sup>c</sup> Cents. <sup>d</sup> Dividend rate paid or payable on part of  
total cost based on dividend on full amount. <sup>e</sup> Redeemable.

Forecast dividend cover based on previous year's earnings.  
Tax free up to 30p in line. \* Yield allows for currency  
movement. \* Dividend and yield based on average  
undivided and yield include a special dividend Cover does not

Abbreviations: w ex dividend; w ex scrip issue; r ex rights; ex all; a ex capital distribution.

fee of £135 per annum for each security



# How the Bank will market gilts